

HOUSE OF REPRESENTATIVES—Monday, March 30, 1992

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are aware, O gracious God, that our Nation has been blessed among the family of nations with resources not shared by many. Yet at our best moments we worry about where we are and we wonder if we are good stewards of Your gifts. Rekindle in us, O God, the vision of what we should be and what we can be so we will be worthy of the high calling that has been given us and faithful in our mission of service to all people. In this time of prayer, we express our praise to You, O God, and ask that Your rich blessings be with us always. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Mississippi [Mr. MONTGOMERY] come forward and lead the House in the Pledge of Allegiance.

Mr. MONTGOMERY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 549. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System;

S. 1696. An act to designate certain national forest lands in the State of Montana as wilderness, to release other national forest lands in the State of Montana for multiple use management, and for other purposes;

S. 2148. An act to extend to the refinancing of mortgage loans certain protections of the Real Estate Settlement Procedures Act and the Truth in Lending Act;

S. 2482. An act to provide funding for the Resolution Trust Corporation, and for other purposes; and

S.J. Res. 280. Joint resolution to authorize the President to proclaim the last Friday of April 1992, as "National Arbor Day."

TRIBUTE TO THE KENTUCKY WILDCATS

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, this past Saturday, millions of Americans witnessed what was truly one of the greatest college basketball games of all time. In the end, the final score was Duke University Blue Devils 104, University of Kentucky Wildcats 103.

As the U.S. Representative from western and south-central Kentucky, I would like to congratulate our Wildcats on a fantastic season and for playing a superb game.

I also have to congratulate my daughter, Kelly Hubbard, a 22-year-old 1991 Duke University graduate, and Jack Conway, my press assistant, who is also 22 and graduated from Duke last year, for accurately predicting who would win that game.

We Kentuckians should be very proud of the effort put forth by our talented team and their outstanding coach, Rick Pitino.

Special congratulations go to the four Kentucky seniors: John Pelphrey of Paintsville, KY, Deron Feldhaus of Maysville, KY, Richie Farmer of Manchester, KY, and Sean Woods of Indianapolis, IN. These four men could have transferred elsewhere when the University of Kentucky was placed on NCAA probation 3 years ago. Instead, they stayed at the University of Kentucky and led their team to the elite eight of the 1992 NCAA Tournament.

I would like to congratulate Duke Coach Mike Krzyzewski on reaching his fifth consecutive final four—and to Christian Laettner, who was 10 of 10 from the field and 10 of 10 from the free-throw lines last Saturday night, well, "you're unbelievable."

In Kentucky, however, we are very proud of our Big Blue.

A SOUND STATEMENT OF CONGRESSIONAL AFFAIRS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, I would like to join my colleague from the First District in congratulating the Kentucky Wildcats for a job well done

and for playing one of the great basketball games of all time.

Mr. Speaker, the senior Senator from Missouri from the other body made a speech last Thursday on the Senate floor which has received wide notice, and deservedly, because it is a very important statement about the current state of congressional affairs. I would urge all my colleagues to read it. It is reprinted in Sunday's Washington Post.

The Senator makes two, I think, very important points. One is that the tendency on the part of the Congress is to put off the tough issues, to delay taking up politically sensitive issues, controversial issues. We temporize. We avoid and sometimes neglect those issues.

We are too much concerned about our own reelections and our own fate and too little concerned about what is absolutely necessary for the betterment of the people.

The second point the Senator makes is related to the first, and that is in order to justify putting off these issues, we have to somehow convince the American people that they can have it both ways, that there is such a thing as a free lunch, that you do not have to pay the bill, and that, of course, is not true.

So, Mr. Speaker, I would urge my colleagues to read what the senior Senator from Missouri has said. It makes a lot of sense. We can all gain from that and make better law for the people of this great Nation.

THE BUSH "NEVER AGAIN" S&L MERRY-GO-ROUND

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, this week the House is scheduled to take up additional funding for the RTC, that is the S&L and bank bailout funding that is continuing.

Mr. Speaker, I have been disturbed by the reports in the media and action in some of our committees and subcommittees in the Congress concerning providing for starting up the merry-go-round of forbearance, that is, for the National Government to begin to invest directly and protect stockholders in some select S&L's and banks.

When we passed this legislation in 1989, the President said, "Never again will we place money or taxpayers' dollars or forbearance in the institutions

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

when such S&L's don't have their own money at risk."

"Never again," he said again when he signed later legislation.

Apparently "never" in the Republican lexicon and in President Bush's mind means 3 years, or until the next Presidential election because today we have the same half-baked ideas being presented to the American public by members of the Bush administration as a way to save money. Some savings, more likely to save the country club set of S&L and bank stockholders than the taxpayer.

This reminds me of the same deals that occurred in 1988 prior to the Presidential election that then Federal Savings and Loan Board Chairman Danny Wall was making in the 1988 deals.

Now we are going to have a recapitulation of that before this Presidential election in the 1992 deals under open thrift assistance or open bank assistance being advocated and implemented by Tim Ryan, the Director of the Office of Thrift Supervision and Bill Taylor, the new Director of the FDIC unless the Congress speaks up and stands up and stops this Bush regulatory version of the 1980 forbearance merry-go-round before it gets started.

We do not need to slide through the 1992 elections on the basis of avoiding the S&L crisis. The problems that face the Nation ought to be addressed even in, and especially in an election year.

I think the Senator from New Hampshire is right. We ought to face up to these problems today, rather than pass them on further into the 1990's and have a repeat of the hundreds of billions of dollars bailout of the S&L's for the banks and S&L's in the future. Never again ought to mean what the clear language and words convey and not be sacrificed for Presidential election year expedience.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, March 31.

REGARDING PRESIDENTIAL ELECTION CAMPAIGN FUND AND CLOSED CAPTIONING TELEVISION COMMERCIALS

Mr. SWIFT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3292) to require candidates who are eligible to receive amounts from the Presidential Election Campaign Fund to prepare television commercials with closed captioning of the oral content, as amended.

The Clerk read as follows:

H.R. 3292

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF CANDIDATES WHO ARE ELIGIBLE TO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 9003 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(e) CLOSED CAPTIONING REQUIREMENT.—No candidate for the office of President or Vice President may receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits, closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies."

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply to amounts made available under chapter 95 or 96 of the Internal Revenue Code of 1986 more than 30 days after the date of the enactment of this Act.

The SPEAKER. Pursuant to the rule, the gentleman from Washington [Mr. SWIFT] will be recognized for 20 minutes and the gentleman from Louisiana [Mr. LIVINGSTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I commend the gentleman from Maryland [Mr. HOYER] for introducing this bill. He has been an outstanding leader in seeking equality for the disabled, recognizing that without their full participation in the political process, our society is poorer indeed.

I should point out that the Subcommittee on Elections has already acted on the substance of this bill when it unanimously incorporated into H.R. 3644 the Presidential Campaign Election Fund Preservation Act on November 7, 1991. That piece of legislation was not enacted, and I am delighted to join with the gentleman in pulling this specific amendment out of it and offering it as a separate bill today.

I commend the gentleman from Maryland for introducing this bill. I urge my colleagues to support H.R. 3292.

At this point, Mr. Speaker, I am happy to yield such time as he may consume to the gentleman from Maryland [Mr. HOYER].

□ 1210

Mr. HOYER. Mr. Speaker, I want to thank Chairman SWIFT for bringing H.R. 3292 to the floor today and for his support and leadership as we have tried to move H.R. 3292 through the legisla-

tive process. I also want to thank the distinguished full committee chairman, CHARLIE ROSE, and the ranking members, Congressman THOMAS and Congressman LIVINGSTON, for their support of this legislation.

As we speak on the floor of this House today, there are many viewers who are listening to this debate not with their ears, but with their eyes. They are using closed captioning to participate in the debate of the House of Representatives. Every day, closed captioning brings the information, the entertainment and the culture of television to millions of hearing impaired viewers. However, if these viewers were to switch channels from this debate to a Presidential campaign commercial, the words of the candidates would be closed to them.

Mr. Speaker, last September I introduced the Political Advertising Accessibility Act which requires Presidential candidates who receive Federal funds to close caption their television ads. This language has received bipartisan support in the House Administration Committee.

The purpose of H.R. 3292 is to make political advertisements accessible to Americans with hearing impairments in order to encourage their full participation in the democratic process. This language requires that all candidates close caption any political advertisements which appear on television if the candidates receive Federal matching funds for the purpose of their candidacy for the Office of President of the United States. It is the candidates obligation and responsibility to caption their commercials.

Closed captioning is the process by which the audio portion of a program is converted into written words. These words appear at the bottom of the television screen like subtitles in a foreign movie. The captioning is broadcast along with the regular video and audio portion of the television signal, but are invisible to everyone except those televisions with a telecaption decoder or a television equipped with decoder circuitry.

Almost 2 years ago, the Congress overwhelmingly passed, and the President signed into law, in the largest signing ceremony ever, the Americans With Disabilities Act. This legislation is consistent with the ADA and with other Federal laws which clearly state that Americans with disabilities have the right to participate fully in American society and that recipients of Federal funds share in the obligation to make that possible.

In the last Congress, under the leadership of Congressman ED MARKEY, we enacted the Decoder Circuitry Act, which requires that all 13-inch screen and larger televisions be equipped with built-in decoder circuitry by 1993. Americans will no longer have to purchase expensive technology in order to

view the growing number of captioned programs. More and more Americans will have access to captioned programming.

In fact, some television manufacturers already have televisions on the market today that are complete with decoder circuitry.

There are 24 million people in the United States who are deaf or hearing impaired and nearly 38 percent of older Americans have some loss of hearing. Although many of us would consider it a blessing to miss the rhetoric of campaign commercials, equality can be a double-edged sword. H.R. 3292 will hopefully increase the participation of more Americans in the electoral process.

Far too many Americans are too cynical about the electoral process. This legislation is an effective and easy way to reach out to one group of Americans that is particularly disenfranchised. Ironically, their tax dollars are used to support a process which is inaccessible to them.

Mr. Speaker, H.R. 3292 is also good politics for both parties. Hearing-impaired Americans do pay close attention to who captions and who does not. A recent survey by the National Captioning Institute found 66 percent of the deaf and hard of hearing audience surveyed stated that they are more likely to buy a product which has captioned commercials and 53 percent said they make a special effort to look for products advertised with captions.

Furthermore, 35 percent said that they had changed brands as a result of learning about products through captioned commercials.

Perhaps that is why some campaigns have already started to close caption their commercials including the Dole for President campaign and Harkin for Senate as well as many congressional races.

The ADA mandated that any public service announcements produced with Federal funds must be close captioned. Surely no less should be required of our Presidential candidates who also receive Federal funds.

Mr. Speaker, closed captioning has already opened up a new world for millions of Americans. I hope my colleagues will join me in supporting H.R. 3292. It is clearly consistent with policies that have been adopted by overwhelming bipartisan majorities in the House and strongly supported by the President. Television is recognized as the most powerful communications medium in the Nation. Let us be sure that we do everything reasonable and everything possible to encourage all Americans to be active participants in the democratic process.

Again, Mr. Speaker, I want to thank the gentleman from Washington [Mr. SWIFT] and the gentleman from Louisiana [Mr. LIVINGSTON] for their help and leadership in bringing this bill to the floor and seeing to its early passage.

Mr. SWIFT. Mr. Speaker, I reserve the balance of my time.

Mr. LIVINGSTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join my friends, the gentleman from Washington [Mr. SWIFT] and the gentleman from Maryland [Mr. HOYER] in support of H.R. 3292, legislation which would require Presidential candidates who receive Federal Funding out of the Presidential election campaign fund to close caption their political television advertisements. I would also like to commend the gentleman from Maryland [Mr. HOYER] for diligently moving this bill through the legislative process.

Last fall, the House Administration Subcommittee on Elections approved similar legislation as an amendment to a bill, H.R. 3644, sponsored by Mr. HOYER which would have propped up the Presidential election campaign fund using anticipated receipts from the \$1 checkoff on tax forms. I strongly opposed H.R. 3644 not because of this provision but because it used debt financing to save a failed program, the campaign checkoff system. However, I supported the amendment by the gentleman from Maryland which would require closed captioning. Today, we are considering that amendment as a stand-alone bill. I maintain my opposition to the system of taxpayer financed campaigns, but if it is to continue, we should expect Presidential candidates to close caption their TV ads.

Candidates who receive taxpayer funding to finance their campaigns have certain obligations to the taxpayers. Requiring candidates to close caption their political television ads is a reasonable condition for receiving taxpayer funding.

As Mr. HOYER pointed out, 24 million people in the United States are deaf or hearing impaired. An ever increasing number of television programs are being closed captioned to serve this large segment of the population. By 1993, all televisions with a 13-inch screen or larger must be equipped to display closed captioning. Also, the Americans with Disabilities Act mandates the captioning of all federally funded public service announcements. It is entirely reasonable to apply this standard to candidates who receive Federal funding to finance their campaigns.

In past debates I have clearly explained my opposition to taxpayer financing of campaigns. Apparently, the taxpayers share my opposition to using their hard-earned tax dollars for negative political ads and party conventions. Participation in the voluntary checkoff system has declined to an all-time low of 19 percent in 1990. It is obvious that the taxpayers do not want the Federal Government to use their tax dollars for political campaigns. They understand that public financing

is just one more perk for politicians. No wonder the American people are disillusioned with the political process.

However, if the candidates are going to use the taxpayer's money to campaign, they should make their television advertisements available to all Americans, including hearing-impaired Americans. Therefore, Mr. Speaker, I strongly support this bill and I urge my colleagues to strongly support passage of H.R. 3292, and make sure that H.R. 3292 becomes law.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SWIFT. Mr. Speaker, I yield myself 30 seconds simply to say that I am delighted that the gentleman from Louisiana is supportive of the gentleman from Maryland and myself in this legislation. I commend the gentleman for that.

I would simply say that I would disagree with his characterization of another bill, an earlier bill, H.R. 3644, and, rather than debate that today, would simply call to the attention of anyone who is interested the debate that we did have on that in which we fulsomely had an opportunity to express our respective views with regard to that legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Washington [Mr. SWIFT] that the House suspend the rules and pass the bill, H.R. 3292, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1220

APPROVING THE LOCATION OF A MEMORIAL TO GEORGE MASON

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 402) approving the location of a memorial to George Mason.

The Clerk read as follows:

H.J. Res. 402

Whereas Public Law 99-652 (40 U.S.C. 1003 et seq.), entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes", provides that the location of a commemorative work in the area described therein as Area I shall be deemed disapproved unless the location is approved by law not later than 150 days after the Secretary of the Interior or the Administrator of General Services notifies the Congress of his determination that the commemorative work should be located in Area I;

Whereas Public Law 101-358 (104 Stat. 419) authorized the Board of Regents of Gunston

Hall to establish, in accordance with the provisions of Public Law 99-652, a memorial on Federal land in the District of Columbia to honor George Mason; and

Whereas the Secretary of the Interior has notified the Congress of his determination that the memorial authorized by Public Law 101-358 should be located in Area I: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the location of a memorial to honor George Mason, authorized by Public Law 101-358, within the area described as Area I in Public Law 99-652, is hereby approved.

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Colorado [Mr. ALLARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 402.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 402, a bill introduced by Congressman JIM MORAN, authorizes the board of regents of Gunston Hall to locate a memorial to George Mason in that area designated as area I by Public Law 99-652, also known as the Commemorative Works Act.

Although he made many other contributions to our fledgling country, George Mason remains best known for his determination that the U.S. Constitution would include a bill of rights. He was so adamant about the bill of rights that he refused to sign the Constitution without it. The regents of Gunston Hall, George Mason's home in Virginia, are seeking authorization to erect a memorial to George Mason here in Washington, DC.

The memorial has been reviewed pursuant to the provisions of the Commemorative Works Act and the Secretary of the Interior has transmitted his recommendation to Congress that the memorial be authorized in area I. The administration has expressed support for this resolution. The Committee on Interior and Insular Affairs favorably recommended House Joint Resolutions 402 without amendment. House Joint Resolution 402 is a non-controversial measure and I support its adoption by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Joint Resolution 402, a bill to

approve the location of a memorial to George Mason in area I, the area comprising the central monumental core of the District of Columbia.

Mr. VENTO has adequately described the historic significance of George Mason's contributions and explained the details of the bill we are considering today. I certainly have no objection to locating a memorial to the esteemed statesman and champion of individual rights, George Mason, in the monumental core of this Federal City. I am especially heartened that private funds will be used to construct it and be reserved for its future maintenance.

The Commemorative Works Act of 1986—Public Law 99-652—which was the product of bipartisan efforts of the Interior Committee, provided the necessary criteria for consideration of this memorial to George Mason. In the future, as the committee finds it necessary to modify that act in managing the construction of new commemorative works on National Park and General Services Administration lands in Washington, DC, we would be pleased to work with the chairman in accomplishing any improvements.

I note that this measure is supported by the administration and am aware of no opposition to it. Therefore, I commend this to my colleagues and urge they support it.

Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. COLEMAN].

Mr. COLEMAN of Missouri. Mr. Speaker, I rise today in support of legislation to authorize the establishment of a memorial in the District of Columbia, built with non-Federal funds but on Federal land, to honor George Mason.

George Mason wrote the Virginia Declaration of Rights in 1776. An excerpt from this work demonstrates its universal appeal: "That all men are by nature equally free and independent, and have certain inherent rights, * * * namely, the enjoyment of life and liberty, with the means of acquiring and possessing property, and pursuing and obtaining happiness and safety." If these words sound familiar, they should.

The Virginia Declaration served as an inspiration to Thomas Jefferson and was the basis of our own Declaration of Independence and the first 10 amendments to the Constitution, the Bill of Rights. Mason participated in every session of the Constitutional Convention of 1787, and it is well known that Mason refused to sign the original Constitution because it omitted the guarantees of individual freedom which he set forth in his Declaration of Rights. Soon thereafter, the validity of his position was recognized by the adoption of the first 10 amendments. Many passages from the 10 amendments finally ratified in 1791 came directly from Mason's Virginia Declaration of Rights.

The impact of this document has been felt around the country, and indeed around the world. Many States followed Virginia's lead and included similar safeguards of individual liberties in their new constitutions. Likewise, Mason's philosophies directly impacted the French Declaration of Rights of Man and the Citizen of 1789. The president of France's legislative assembly in 1791, said of Mason: "The first Declaration of Rights that is entitled to be called such is that of Virginia. Its author is entitled to the eternal gratitude of mankind."

It is because of his recognized wisdom that we seek to honor Mason by establishing a national monument to acknowledge his contribution to our history. The author of the Declaration of Independence, Thomas Jefferson, had nothing but praise for Mason, the author of the Declaration of Rights, describing Mason as a man of the "first order of greatness."

During the bicentennial celebration of the Constitution of the United States, the chief justice of Virginia, Harry L. Carrico, spoke to the role played by George Mason in securing protection for the rights we all enjoy. "I think that every American should feel for George Mason and all that he did. With his dynamic pen and his tireless efforts, he helped gain and ensure those blessings that we now enjoy in greater measure than any other people in history. By his insistence upon frequent recurrence to fundamental principles, he assured the preservation and vitality of free government in America * * * let it be our commitment to make certain his work is never forgotten."

A monument to George Mason would be an inspiring reminder of our Nation's basic document, the Bill of Rights, of how it developed, and of how it has influenced democratic governments all over the world.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. MORAN], the principal sponsor of the resolution who appeared before the committee and has worked hard to ensure this would receive consideration by the committee and the Congress.

Mr. MORAN. Mr. Speaker, I want to thank the chairman of the Subcommittee of Parks and Public Lands and the ranking minority member for bringing this issue up today and for quickly moving this through committee.

This legislation authorizes a memorial in area I of Washington, DC, near the Jefferson and Washington monuments, in honor of a great statesman and Virginian, George Mason. This monument honors a man who has been largely forgotten by history, but whose leadership and vision ensured that the basic liberties and freedoms we take for granted today were included in our Constitution.

George Mason was thrust into the world of politics in 1776, when the Thir-

teen Colonies were advised by the Continental Congress to adopt new forms of government that were "sufficient to the exigencies of their affairs." to accomplish this, George Mason was charged with the task of writing a declaration of rights for Virginia. Mason, who completed the declaration within 1 month, based the declaration on protecting an individuals right to certain freedoms. Included in the declaration were guarantees of free speech, due process of law, prohibitions against unreasonable searches and seizures, and cruel and unusual punishment and the right to a speedy trial, and a jury in civil cases.

Shortly after its completion, Mason shared his Declaration of Rights with Thomas Jefferson. The ideas enunciated by Mason inspired Jefferson when he wrote the preamble to the Declaration of Independence which affirmed that "all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness."

Jefferson was not the only person influenced by the scope of Mason's declaration. Twelve other Colonies, in preparing their constitutions and bills of rights, would base their documents on Mason's model. Word of Mason's declaration spread beyond the Colonies, and in Paris, the Marquis de Condorcet, scholar, writer, and President of revolutionary France's Legislative Assembly wrote that the author of the Virginia Declaration of Rights was "entitled to the eternal gratitude of mankind."

Although Mason's work would become the model for constitutions and social contracts subsequently written by other countries after the adoption of the American model, Mason had a difficult time influencing his fellow delegates at the Constitutional Convention to include a Bill of Rights in the Constitution. Mason was convinced that our National Constitution would override all State constitutions. Without the crucial Bill of Rights included in the U.S. Constitution individual liberties granted by the States would not be secured.

In 1789, despite Mason's warnings, the Constitution was completed and ready for signature without a Bill of Rights. Because of his strong opposition, Mason refused to ratify the Constitution. Listing 16 objections, the first being that "there is no Declaration of Rights," Mason rejected the work of the convention thereby opposing nearly all of his fellow colleagues.

Although Mason's objections cost him the respect of his colleagues, they had a significant impact on the voters. In State conventions called to consider ratification of the Constitution, voters insisted that a Bill of Rights be included in the Constitution. Ultimately, James Madison submitted a Bill of

Rights as amendments to the Constitution at the First Congress. Many passages in those amendments came directly from George Mason's Virginia Declaration of Rights.

George Mason's fight for individual rights and liberties was never for political or personal gain. He did not enjoy being involved in public life, but he felt compelled to ensure that his freedom, and those that followed him, would be secured by the new Government. It was Mason's vision, foresight, and disregard for his own reputation that would ultimately lead Jefferson to view Mason as the "wisest of men" and Patrick Henry to consider Mason the greatest statesman he had ever known.

Today, Mason's Declaration of Rights is widely admired throughout the world. Students in Tiananmen Square quoted George Mason in their protests for change and freedom. Fledgling democracies in Eastern Europe look to Mason's Declaration when drafting their new constitutions. And today, as the role of government becomes even more complex, George Mason's words continue to be cited in Supreme Court opinions.

A monument to George Mason in area I of Washington, DC, closest to the Washington and Jefferson monuments, would ensure that George Mason's work is recognized by visitors to the Nation's capital eager to learn more about our history. This monument will celebrate Mason's foresight, courageous disregard for his own reputation, and strong vision that led to the creation of our Government's most fundamental document, the Bill of Rights.

The monument will be constructed with private funds, free of taxpayer expense. This monument has passed the test of the requirements within the Commemorative Works Act. It has the approval of the administration and now it must have congressional approval.

□ 1230

Mr. Speaker, I appreciate the fact that the minority has no objection to this legislation. I am not at all surprised. I greatly appreciate the accommodation that the chairman has given us. I do think this discussion is helpful for those who might be tuning in here, students of history who are interested in their country.

Mr. Speaker, certainly George Mason has been a critical element in preserving the freedoms that were established and preserving the freedoms that we have today. I urge all my colleagues to support this important legislation.

Mr. ALLARD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the clarion call of George Mason's words and writings have stood the test of time for 200

years and represent the finest thought for free people in the world yesterday and today and obviously for tomorrow.

Mr. Speaker, I ask my colleagues to support this legislation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the joint resolution (H.J. Res. 402).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

ARKANSAS WILD AND SCENIC RIVERS ACT OF 1992

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1743) to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes, as amended.

The Clerk read as follows:

S. 1743

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Arkansas Wild and Scenic Rivers Act of 1992".

SEC. 2. WILD, SCENIC, AND RECREATIONAL RIVER DESIGNATIONS.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding at the end the following new paragraphs:

"() BIG PINEY CREEK, ARKANSAS.—The 45.2-mile segment from its origin in section 27, township 13 north, range 23 west, to the Ozark National Forest boundary, to be administered by the Secretary of Agriculture as a scenic river.

"() BUFFALO RIVER, ARKANSAS.—The 15.8-mile segment from its origin in section 22, township 14 north, range 24 west, to the Ozark National Forest boundary, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 6.4-mile segment from its origin in section 22, township 14 north, range 24 west, to the western boundary of the Upper Buffalo Wilderness, as a scenic river.

"(B) The 9.4-mile segment from the western boundary of the Upper Buffalo Wilderness to the Ozark National Forest boundary, as a wild river.

"() COSSATOT RIVER, ARKANSAS.—Segments of the main stem and certain tributaries, totaling 20.1 miles, to be administered as follows:

"(A) The 4.2-mile segment of the main stem from its confluence with Mine Creek to the Caney Creek Wilderness Boundary on the north section line of section 13, township 4 south, range 30 west, to be administered by the Secretary of Agriculture as a recreational river.

"(B) The 6.9-mile segment of the main stem from the Caney Creek Wilderness Boundary on the north section line of section 13, township 4 south, range 30 west, to

the south section line of Section 20, Township 4 South, Range 30 west, to be administered by the Secretary of Agriculture as a scenic river.

"(C) The 4.4-mile segment of the Brushy Creek tributary from the north line of the south $\frac{1}{2}$ of the southeast $\frac{1}{4}$ of section 7, township 4 south, range 30 west, to the south section line of section 20, township 4 south, range 30 west, to be administered by the Secretary of Agriculture as a scenic river.

"(D) The 4.6-mile segment of the main stem from the State Highway 4 bridge to Duchett's Ford, to be administered by the Secretary of the Army as a scenic river consistent with the operation of Gillham Dam (as authorized by section 203 of the Flood Control Act of 1958 (Public Law 85-500)). For purposes of management of such segment, the Secretary of the Army may enter into a cooperative agreement or memorandum of understanding or other appropriate arrangement with the Secretary of Agriculture or an appropriate official of the State of Arkansas.

"() HURRICANE CREEK, ARKANSAS.—The 15.5-mile segment from its origin in section 1, township 13 north, range 21 west, to its confluence with Big Piney Creek, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 11.8-mile segment from its origin in section 1, township 13 north, range 21 west, to the western boundary of the private land bordering Hurricane Creek Wilderness, as a scenic river.

"(B) The 2.4-mile segment from the western boundary of the private land bordering the Hurricane Creek Wilderness to the Hurricane Creek Wilderness boundary, as a wild river.

"(C) The 1.3-mile segment from the Hurricane Creek Wilderness boundary to its confluence with Big Piney Creek, as a scenic river.

"() LITTLE MISSOURI RIVER, ARKANSAS.—Segments totaling 15.7 miles, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 11.3-mile segment from its origin in the northwest $\frac{1}{4}$ of section 32, township 3 south, range 28 west, to the west section line of section 22, township 4 south, range 27 west, as a scenic river.

"(B) The 4.4-mile segment from the north line of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of section 28, township 4 south, range 27 west, to the north line of the northwest $\frac{1}{4}$ of the southwest $\frac{1}{4}$ of section 5, township 5 south, range 27 west, as a wild river.

"() MULBERRY RIVER, ARKANSAS.—The 56.0-mile segment from its origin in section 32, township 13 north, range 23 west, to the Ozark National Forest boundary, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 36.6-mile segment from its origin in section 32, township 13 north, range 23 west, to Big Eddy Hollow in section 3, township 11 north, range 27 west, as a recreational river.

"(B) The 19.4-mile segment from Big Eddy Hollow in section 3, township 11 north, range 27 west, to the Ozark National Forest boundary, as a scenic river.

"() NORTH SYLAMORE CREEK, ARKANSAS.—The 14.5-mile segment from the Clifty Canyon Botanical Area boundary to its confluence with the White River, to be administered by the Secretary of Agriculture as a scenic river.

"() RICHLAND CREEK, ARKANSAS.—The 16.5-mile segment from its origin in section 35, township 13 north, range 20 west, to the northern boundary of section 32, township 14

north, range 18 west, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 7.8-mile segment from its origin in section 35, township 13 north, range 20 west, to the western boundary of the Richland Creek Wilderness, as a scenic river.

"(B) The 5.3-mile segment from the western boundary of the Richland Creek Wilderness to the eastern boundary of the Richland Creek Wilderness, as a wild river.

"(C) The 3.4-mile segment from the eastern boundary of the Richland Creek Wilderness to the northern boundary of section 32, township 14 north, range 18 west, as a scenic river."

SEC. 3. FEDERAL PROTECTION FOR STATE DESIGNATED RIVERS.

(a) IN GENERAL.—The river segments described in subsection (b) are designated as components of the National Wild and Scenic Rivers System to be managed by the State of Arkansas in accordance with the requirements for rivers included in the National Wild and Scenic Rivers System pursuant to section 2(a)(ii) of the Wild and Scenic Rivers Act (16 U.S.C. 1273(a)(ii)).

(b) RIVER SEGMENTS.—The river segments referred to in subsection (a) are—

(1) the 10.4-mile segment of the Cossatot River from the Forest Proclamation Boundary to the intersection with State Highway 4; and

(2) the 0.3-mile segment of the Brushy Creek tributary from the Forest Proclamation Boundary to its confluence with the Cossatot River.

SEC. 4. SAVINGS PROVISION.

Nothing in this Act is intended to prohibit the Secretary of the Army from—

(1) operating Gillham Lake, including lake levels and releases, in a manner consistent with the Gillham project (as authorized by section 203 of the Flood Control Act of 1958 (Public Law 85-500)); or

(2) establishing a public use area for float trip termination at the confluence of the Cossatot River with Gillham Lake.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Colorado [Mr. ALLARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1743, the measure we are not considering.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 1743 was sponsored in the Senate by Senator BUMPERS and passed the Senate on November 26, 1991. An identical companion bill—H.R. 4183—has been introduced in the House by Representative HAMMERSCHMIDT.

To expedite matters, the Interior Committee acted on the Senate-passed measure, and we now bring it to the floor with a number of minor amendments, mostly technical, that are explained in the committee report.

S. 1743, as amended, the bill would designate certain rivers in the State of Arkansas for inclusion in the National Wild and Scenic Rivers System. The Secretary of Agriculture, through the Forest Service, would be directed to manage segments of eight rivers located within national forest areas. One river segment would be managed by the Army's Corps of Engineers, and segments of two other rivers would be managed by the State of Arkansas, as proposed by Governor Clinton.

In hearings before the Subcommittee on National Parks and Public Lands, the administration and public witnesses testified in support of the bill, which generally follows recommendations developed by the Forest Service through its planning process. I am not aware of any opposition to it.

Mr. Speaker, this is a good bill that provides for proper recognition and management of some outstanding river resources. I urge its approval by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 1743, which would add about 200 miles of rivers in the State of Arkansas to the Federal Wild and Scenic Rivers System.

During subcommittee and full committee consideration of this measure, we heard strong support from all quarters. To my knowledge, the committee did not hear from anyone opposing this legislation. S. 1743 is supported by the administration, the State of Arkansas, local citizens, as well as the entire Arkansas congressional delegation.

I commend Senator BUMPERS for his leadership on this bill, as well as our retiring colleague, JOHN PAUL HAMMERSCHMIDT, who has introduced an identical companion bill. Such bipartisan support is not always a part of wild and scenic river bills, but it thankfully is the case here.

S. 1743 will create the first Federal wild and scenic rivers in the State of Arkansas. I fully expect President Bush to sign this legislation into law very soon.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise today in support of S. 1743, the Arkansas Wild and Scenic Rivers Act.

The State of Arkansas has been blessed with an abundance of natural beauty including both the Ozark and Ouachita National Forests. In addition there are numerous rivers, lakes, and streams which our citizens are able to enjoy. We are indeed fortunate to have such scenic land as our home.

Up to this time, no river in Arkansas has been designated as part of the Federal Wild and Scenic Rivers System. Only a part of the Arkansas Buffalo River is considered a national river and managed by the National Park System. In fact, it was during my first term in

Congress that I began developing the groundwork for preservation of the Buffalo River as a national river.

In a continuing effort to support measures that will ensure the preservation and protection of our natural heritage, I was pleased to introduce the House companion bill to S. 1743, H.R. 4183.

S. 1743 would add over 191 miles of Arkansas rivers to the Wild and Scenic Rivers System. The eight river segments include 56 miles of the Mulberry River; 45.2 miles of Big Piney Creek; 20.1 miles of Cossatot River; and 15.8 miles of the Buffalo River.

The legislation is based upon recommendations made by the U.S. Forest Service and is supported by the administration. I would, therefore, urge my colleagues to suspend the rules and pass S. 1743.

Mr. ALLARD. Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 1743, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1240

EFFORTS TO THWART INVESTIGATION OF THE BNL SCANDAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, on this occasion I rise to continue in the series of informational addresses or special orders that I give by way of accounting as chairman of the Committee on Banking, Finance and Urban Affairs, to my colleagues and Members of this great body. This was, as I said before, a pledge I made the same day that I was formally elected chairman of this committee.

But today, and also in continuation of the scandalous affair involving the foreign bank, the BNL, the Banca Nazionale del Lavoro, I will talk about the delay in bringing the so-called BNL indictments in early 1990, and also the State Department's efforts to thwart, that is, to obstruct the investigation of Iraqis involved in that scandal.

I will also show that the State Department stopped the indictment of the Central Bank of Iraq and discouraged the indictment of a prominent Jordanian with close ties to the King of Jordan, King Hussein.

I will start by showing that the former Attorney General, Richard Thornburgh, misled the Congress and the American public about the national security implications of the BNL cases in order to obstruct our committee's investigation of BNL, which I have reported previously he did do.

As a matter of fact, I incorporated into the RECORD some time ago the copy of the letter that I received from the Secretary, who finally wrote to deny the fact that I would insist as chairman to continue the hearings on the BNL.

As I have detailed in earlier floor statements, the State Department and the Agriculture Department repeatedly lied to Congress about the Commodity Credit Corporation Program of guarantees for Iraq.

From the beginning of the United States-Iraqi relationship in 1982-83, until the Iraqi invasion of Kuwait, this program, known as the Commodity Credit Corporation Program, was a cornerstone of the United States-Iraqi relations and the food, supposedly the food, financed by the program was used as a political tool to improve relations with Iraq. Yet on numerous occasions the State Department and Agriculture Department denied that foreign policy implications played a major role in the program.

I have introduced numerous documents into the RECORD showing that the foreign policy objectives became and remained the prime goal of the CCC Program toward Iraq. But the State Department and Agriculture Department misled the Congress and the public, thereby insisting that the program was market driven and that its main purpose was to promote the sale of U.S. agriculture products, when in truth they were promoting closer ties with Saddam Hussein.

They used that commercial market argument to win greater and greater allocations of CCC credit to Iraq, up to \$1 billion annually.

Now, that is a considerable sum, in view of what we are denying our own, as far as our domestic needs are concerned. We have reached the point where we have abandoned the greatest interests of the greatest number of our people in such excursions as this one, even though the CCC Program for Iraq was rife with corruption and fraud, and this is just one case.

We had hearings. We also submitted documentation showing where there were kickbacks on the part of Iraqis to persons doing business with them in America, and despite the fact that Iraq was in such dire financial trouble that it could not repay its debts, even to the United States Export-Import Bank.

This systematic deception cost the United States taxpayer about \$2 billion because Iraq defaulted on all its CCC debts when it invaded Kuwait.

In September 1990 former Attorney General Richard Thornburgh joined the

efforts to mislead the Congress and the American public thereby. We cannot forget that the Congress, regardless of those throughout our history that have hated the institution, is the only viable source of information as to policy that the people have and have direct access to, or should.

As a matter of fact, I have said repeatedly that in the House of Representatives we have the unique case of being the only constitutional office that is directly accessible to the citizens by virtue of the fact that every one of us has to be elected. We cannot be appointed to the House of Representatives, unlike the Senate. We have to be elected in our respective districts. Therefore, the theory is that one would be in the most possible intimate relationship with the citizen constituents.

If the Congress is deceived, whether it is done through negligence on the part of the Congress itself or by the executive branch, which in today's control of the media, which is so vast and so immediate and so instantaneous, it is impossible for the citizens in a democracy such as ours to have the information to afford them to discharge their duties as citizens in discerning, and thereby reaching a conclusion as to the qualifications of, the agents they will elect, whether it is Members of the Congress or the President or the Vice President.

The big difference is this: In the case of the U.S. Senators, they have the whole State as their constituency. The individual citizen in that State does not have the proximity or access that he ought to have to that individual Member that he elects or defeats.

□ 1250

In the case of the President and the Vice President, yes, they are elected by the people. But they are elected throughout the whole country. And again, the individual citizen, once the President is installed, does not have that access that the Constitution and those who wrote it intended should be there at all times.

It is the breakdown in that accessibility that I think is the worst contributing factor to what I call the erosion of the integrity of the processes in our bodies. The fact remains that it is the prime constitutional office destined to be directly accessible and controlled by the citizens in their respective districts.

Attorney General Thornburgh repeatedly tried to have the investigation of the Committee on Banking, Finance and Urban Affairs curtailed, under the false pretense that the committee's investigation of BNL could be harmful to the national security interests of the United States.

We pointed out that there is only one remaining power of the three fundamental powers that the Congress,

under the Constitution, still has. I hold that those three fundamental powers are nondelegable.

Yes, through the very beginning of our history under constitutional government, there are areas in which the Congress has delegated. But I maintain there are areas in which the Constitution, and if we read the proceedings of the Convention, we heard a few with respect to the Bill of Rights a while ago, but if we read carefully the proceedings of the Constitutional Convention, we will find this was one of the key issues. And that is that the Congress shall have the power to declare war and only the Congress. That was very purposefully put in there.

That has been washed away through congressional abdication, but I feel and I know that it is nondelegable. When the Congress has abdicated that, it has abdicated its constitutional responsibility to the people.

Second, the control of the purse. That is one of the inherent and in my opinion nondelegable functions of the Congress. When it allowed itself, as it did in 1981, as a result of the interpretation, misinterpretation or good interpretation of the 1974 so-called Budget Reform Act, which incidentally I was 1 of about 10 that voted against it, but I was the only one that gave reasons in the RECORD why I voted against it.

The reasons are, much to my distress, what I feared would happen, which now is taken for granted, where we have continuing dire emergency supplemental appropriations from month to month, from one session to another, from one Congress to another. All of these reformers, some of them are still around and bleeding and bragging about how they did away with some of those old-timer chairmen. Well, let me say to my colleagues, that at no time in my recollection at the time those supposedly old timers were in power did we have the disarray, the absolute budgetary chaos that now we take for granted but which a price must be sooner or later exacted and paid for by the people. And if that be treason to those now who have esconced themselves in power in our Halls of the Congress, who got that power by having knocked out some of those old timers, so be it, let me say to them.

Naturally, it has been quite uncomfortable to have the likes of me. I am an old timer, if one wants to look at it that way.

I will tell my colleagues why, because there are basic verities, both as to behavior and both as to the discharge of a trust, which this office is, which the so-called new generations do not seem to think are worthy of holding to. I do.

I believe there is no substitute for honesty. One either has it or one does not. And under the Constitution, we

have to be 25 years of age before we can be eligible to be elected to the House.

If we have to wait until we are 25 years of age and come here to get somebody to give us a code of ethics, let me say to my colleagues, it is too late. There is not any code that is not susceptible of evasion. But if one has a conscience, and I do not know, maybe that is asking too much. But I think those things are a lot more holier and more valuable and more precious than holding any public office and being in these Halls of marble that are supposed to be so indicative of the greatness of our monumental institutions.

I say that these cold Halls of marble need the warmth of the people, and this is the reason why. For the first time 2 years ago, when we had these much publicized hearings but disappointing to some because we did not go out chasing after witches, we followed the law. We followed the rules. And if we the lawmakers do not obey the law, then what do we have? And that is all we have done.

As chairman of this committee, that is exactly what I have done. I have stuck to the rules. I have obeyed the rule of majority, and that has not pleased some. But it is for them to explain and not for me.

What I am saying is that we have to start with ourselves and then we cannot, if we lose even ourselves from both the moral moorings and the time-honored precedents and rules that have been built and incorporated into the most intimate section of our corporate proceedings in these Halls of the Congress, both this side and the other.

The other power, and it is the only one up to now that in our case we have defended, is the power to know, seek information. And that is the power to investigate. But it is not an unlimited power; it is a limited constitutional grant.

Those are the three basic powers: the power to declare war that the Constitution says only the Congress can do; second, the power of the purse, which is deposited in the Congress and only in the Congress; and third, the power to know, the power to search out and get the information that a wise lawmaker and a just lawmaker and an honest lawmaker must have in order to render a judgment in the perfecting of the rules and the laws that will make the policy for our constituents.

That we are upholding. It is the only last vestige that the Congress has not abdicated, and I had to interject that, plus Supreme Court decisions upholding that. But it is not unlimited.

We cannot go our here on witch hunts, as some committees have done before in the history of our body, both after the Civil War as well as after the war this last time, the big war.

We have to have a legislative purpose, and that is what I have been reporting to my colleagues. As a matter

of fact, I introduced a bill in pursuance of trying to control some aspects of the activities of these countries through the contributions that we make to the international financial institutions and banks, which these countries make use of.

I repeat, Attorney General Thornburgh repeatedly tried to have the investigation of the committee on Banking, Finance and Urban Affairs obstructed and curtailed and under the false pretense that it would endanger national security.

□ 1300

What he was really attempting to do was to cover up repeated lies to Congress and details of the failed United States policy toward Iraq. That was the whole thing. As soon as I announced that the committee on Banking, Finance and Urban Affairs would hold hearings on the BNL scandal, former Attorney General Thornburgh tried to dissuade me.

When I would not meet with him privately, and I never do. I do not know if some of my colleagues on the committee still have understood. I am not the committee. I am only the chairman of the committee. As I said when I took office, not only on this occasion, but I have been chairman of other committees, and I was chairman of the Subcommittee on International Development, Finance, Trade and Monetary Policy for 10 years, and I have been chairman of the Subcommittee on Housing and Community Development for 11 years, so I think I have had some experience on how to handle the gavel.

The only power, I said, really inherent in the power to hold a gavel, is the power to set the agenda, set the course for the committee. That has disturbed some on and off the committee, I will say, but nevertheless, that is what I have held onto primarily.

We went on ahead and had the hearings, despite the Attorney General's great protestations. Failing to meet with me privately. I said:

Put it in writing. I am writing you and telling you, and I do not even have to do that, but I am, because I think that is the responsibility and comity that one ought to have with a distinguished member of the executive branch of the Government.

I said:

Obviously, you have not read the Constitution. Congress has a right to know. Supreme Court case after Supreme Court case has upheld that as a prime and a supreme right of the Congress, to be informed. Notwithstanding other investigations or even judicial criminal proceedings, Congress has the right to pursue in its quest for information. That is what we are going to do.

So when I would not meet with him to discuss why he wanted me to just summarily backtrack on what I had announced, the hearings, then he did write me a letter which I placed in the RECORD before, but I am going to place it in the RECORD today, at least the pertinent part, of September 26, 1990.

He states, and I quote:

The purpose of this letter is to express my profound disappointment in your decision to ignore the strong objections of this department in the Banca Nazionale del Lavoro matter. As you should be aware, this is a sensitive case with national security concerns.

Of course, the BNL cases did not involve national security concerns. To prove this point I will introduce into the RECORD a December 18, 1990, State Department letter to the Justice Department which states, and I quote:

With respect to the national security aspects of the BNL investigation, we have determined that the State Department does not have any concerns it wishes to raise at this juncture.

So the State Department, the agency primarily responsible for national security matters, did not think that the BNL case involved national security concerns, yet the top political appointee of the Department of Justice, Richard Thornburgh, apparently failed to get this signal.

Mr. Thornburgh's efforts fit perfectly into the pattern of administration efforts aimed at thwarting congressional investigations of Iraqi policy and the preinvasion pattern of obstructing justice insofar as the BNL case is concerned.

In fact, the Department of Justice continues to refuse the Committee on Banking, Finance and Urban Affairs access to thousands of BNL-related documents claiming that they are subject to grand jury secrecy rules.

Just as Mr. Thornburgh tried to falsely use national security to thwart the committee's investigation of BNL, I have to wonder if the Justice Department is not abusing the grand jury secrecy rules to spuriously hide embarrassing documents that reveal additional details of the Bush administration's close alliance with Saddam Hussein.

It is sad enough that the Departments of State and Agriculture repeatedly lied to Congress and the American public, thereby, about the United States policy toward Iraq. The Justice Department role in obstructing the investigation of the Committee on Banking, Finance and Urban Affairs of BNL is the ultimate hypocrisy. One would think that the Justice Department has a special obligation to protect the integrity of our Government.

In the matter of the failed United States policy toward Iraq and in the BNL case, I think a more appropriate name for the Thornburgh-led Department was the "Obstruction of Justice Department." I will not show that the BNL indictment was anything else but that which should have been done regardless. I will show that expected first in early 1990, we were told "Well, we are about to indict," but it did not happen for more than a year. First I will provide some background to set the stage for the discussion.

While the administration publicly expressed consternation over the actions of Saddam Hussein, behind closed doors and out of the sight of the Congress and the American people, in secrecy, and that is where all of these things have happened, the S&L scandals, and what will be equally scandalous, the banking scandals; they were all bred out of secrecy in those dark, moist rooms in the subterranean of the regulators and the White House and other places. They were not in the open.

Why not? I have always said, why do we have to close doors? If what we are doing is so good we ought to be bragging about it, throw the doors open, open the windows, and let anybody who wants to hear and see. But apparently that does not happen. There are always reasons and one can find some excuse for not doing it. I have always wondered about it, ever since I was on the city council of my city 39 years ago.

While the administration publicly was saying, "This is a matter of concern the way this fellow is acting now, that apparently we have a cease-fire and it looks like he won over Iran," but behind closed doors and out of the sight of the people and the Congress they courted Saddam Hussein with a reckless abandon that ended in war and the deaths of dozens of our brave soldiers and over 200,000 Moslems, Iraqis, and others, civilians and soldiers.

As I have detailed in previous floor statements, the State Department and the White House repeatedly intervened in the operations of the U.S. Department of Agriculture and in the Commerce Department operations in order to obtain close relations with Saddam Hussein. In fact, with the backing of President Bush, the State Department and National Security Council staff conspired in 1989 and 1990 to keep the flow of United States credit, technology, and intelligence information flowing to Iraq despite repeated warnings by several other agencies and the availability of abundant evidence showing that Iraq used BNL loans to pay for United States technology destined for Iraq's missile, nuclear, chemical, and biological weapons programs.

In order to minimize public exposure to the embarrassing failed United States policy toward Iraq, just after the fighting in the gulf ended the White House formed a group of high-level agency attorneys, headed by the National Security Council's General Counsel, to frustrate, evade, and stifle congressional investigations, which I brought out 2 weeks ago in detail.

The group of attorneys, which I called then and I call now the Rostow gang, because that is what it amounted to, a gang, it was not a consortium, it was a gang. Just like street gangs are out there for their own purposes of evading this, that, and the other, and mugging, this gang was there for the purpose of mugging the Congress in its

attempt to know what was going on and how it was affecting the proper exercise of our legislative judgment in forging the laws we still do not have in order to protect the national interest from the behavior of huge sums, billions of dollars, a trillion almost, that none of our regulatory agencies at this time can adequately, fully, and responsibly oversee and account for.

Should we be surprised that instead of less we have infinitely more illicit drug peddling and the laundering of drug money?

□ 1310

Since we incarcerated Noriega in Florida the amount of drugs out of Panama has doubled. It is not happenstance. It is because of this intimate connection between high finance, business, public officials, and the wrongdoer.

So, in order to minimize the possible adverse impact after the war we have the Rostow gang. One of the reasons the Rostow gang was formed was to cover up embarrassing and potentially illegal activities of persons and agencies responsible for the United States-Iraq relationship. For example, persons from the State Department and Agriculture Department repeatedly lied to the Congress and the American public about its policy toward Iraq. Members of the Rostow gang have actively worked to slow down and possibly impede permanently the Banking Committee's investigation of these lies, and they continue to withhold important BNL-related documents from the committee.

Now we learn from recent stories in the Los Angeles Times and the New York Times that the State Department intervened to stop indictments of BNL in early 1990. Earlier press reports indicated that the State Department worked to delay the indictment of BNL because of the further damage the indictments would have caused to rapidly deteriorating United States-Iraq relations since the BNL case involved the highest levels of the Iraqi Government. Of course, those concerns evaporated with the invasion of Kuwait.

The committee has over a dozen documents indicating that the U.S. attorney's office in Atlanta was prepared to bring the BNL indictments in early 1990. Yet, the indictments did not occur until over a year later on February 28, 1991, just hours after the President ordered a cease-fire in the Persian Gulf war or, in other words, after Saddam Hussein was rapidly transformed from friend to foe.

Let us elaborate on this. The committee has gathered numerous documents that indicate the indictments of BNL were planned for early 1990, at the same time United States-Iraq relations were deteriorating at a rapid pace. For example, on January 9, 1990, in a letter from the USA Atlanta, that is U.S. At-

torney-Atlanta, to the Federal Reserve stated, "Anticipated indictments early next month." A January 25, 1990, U.S. Inspector General's memo on BNL states:

Our reinvestigation and a related grand jury investigation in Atlanta is likely to result in criminal indictments in the near future.

January 28, 1990, a Treasury Department memo states:

The Assistant U.S. Attorney-Atlanta, now expects to bring initial indictments in the case in February 1990. USDA understands that USA Atlanta has requested but not yet received permission from the Justice Department to ask Iraqi officials for information.

February 9, 1990, a State Department cable to the embassy in Baghdad states, "We would prefer to decide on the second tranche," that is the second \$500 million of credits, "after the Atlanta indictments have been announced, which is expected to happen some time this month."

Additional Federal Reserve, State Department, Agriculture Department and Treasury Department memos indicate that indictments were ready in early 1990. But by April 1990, it was apparent there was some problem in the planned BNL indictments.

As a USDA memo dated April 2, 1990, states:

USDA has withheld approval of the second allocation for the past several weeks pending announcement of indictments by an Atlanta grand jury. It is expected that indictments will be announced in the near future. However, this has been an expectation for the past 4 weeks.

Both the Justice Department in Washington and the State Department played a role in delaying the BNL indictment. One of the clues concerning the delay in the BNL indictment points to the Justice Department in Washington, DC. Many of the criminal investigators assigned to the BNL case in Atlanta felt that the Justice Department stopped the indictments.

A recent New York Times article states:

In a series of interviews, law enforcement officials and lawyers said that in late 1989 and early 1990 the government actually wrote an indictment, though it was not presented to a grand jury. These officials said the indictment was passed along to the Justice Department officials in Washington and that they did not know what became of it.

A Federal Reserve memorandum echoes the allegations. A memo dated April 5, 1990, states:

The resignation of the United States attorney in Atlanta had led to a number of difficulties in that investigation. These difficulties have been compounded by what is perceived as interference from the Justice Department in Washington.

Let me repeat this Federal Reserve memo:

The resignation of the United States Attorney in Atlanta had led to a number of difficulties in that investigation. These difficulties have been compounded by what is perceived as interference from the Justice Department in Washington.

Let me repeat that:

interference from the Justice Department in Washington.

Another Federal Reserve memo states that the Justice Department in Washington was "taking control" of the BNL case because "Attorney General Thornburgh did not want to be criticized for another BCCI." The Justice Department had been severely criticized for its maladroit handling of the BCCI settlement, and apparently did not want the same to occur with BNL. The Justice Department also intervened to stop a Federal Reserve regulatory action against BNL until after the BNL indictments were announced in February 1991, over 18 months after the BNL scandal was uncovered. The exact motivation for the Justice Department's actions are not known.

This week I intend to write the Justice Department asking for documents related to why the BNL indictment was delayed until after the cease-fire in the Persian Gulf war. Could it have been that like other United States programs that benefited Iraq the indictment was delayed to ensure cozier relations with Iraq?

Several Justice Department spokesmen have denied foreign policy considerations played a role in delaying the BNL indictment. I prefer to let the documents tell the story if the Justice Department will cooperate and provide the evidence.

I will now turn to the State Department's role in thwarting the U.S. Attorney-Atlanta BNL investigation.

Despite the State Department's denial, there is evidence to indicate that the State Department intervened in 1990 to stop the indictment of BNL. Articles in both the New York Times and the Financial Times of London in June and July 1990 report that State Department officials intervened to stop the BNL indictments because of concerns over the adverse impact such an action would have on United States-Iraq relations. A more recent newspaper article corroborates that contention.

A March 20, 1992, New York Times article contained excerpts of an interview with Robert L. Barr, the former U.S. attorney in Atlanta who was in charge of the BNL case until April 1990. Mr. Barr acknowledged that in the BNL case considerations of foreign policy had become intertwined with those of law enforcement. The Times quoted Mr. Barr as saying:

The State Department had become involved early on and that case became complex both legally and because of foreign policy concerns.

The State Department itself has acknowledged that it had frequent contact with the Justice Department regarding the BNL matter. In a July 1990 letter to the Crime and Criminal Justice Subcommittee chairman, CHARLES SCHUMER from New York, the Department tried to downplay the issue of its

involvement in the BNL case by stating:

Law enforcement actions can have a direct and foreseeable effect upon foreign relations. It is important for the Department of State to coordinate with the Justice Department to ensure that enforcement agencies have the information they may need concerning the foreign policy implications of matters for which they have responsibility and to ensure that the State Department is aware of anticipated law enforcement actions that have an adverse impact on foreign relations.

□ 1320

The Banking Committee continues to investigate whether or not the State Department intervened in early 1990 to stop the BNL investigation. Given the State Department's intervention in the operations of the CCC Program, it is likely that such an intervention occurred.

While the State Department maintained publicly that it did not intervene in the BNL case, internal agency memos and cable traffic between the United States Embassy in Baghdad and the State Department show that the State Department frustrated the United States attorney-Atlanta attempts to interrogate the Iraqis involved in the BNL scandal.

LETTER-WRITING STRATEGY

In late 1989 and early 1990 the United States attorney-Atlanta was pressing to go to Iraq and Turkey to interrogate some of the main conspirators responsible for the BNL fraud. One of the persons the United States attorney-Atlanta wanted to question in Iraq, Dr. Safa Al-Habobi, was the head of procurement for Iraq's nuclear, biological and chemical weapons and missile programs.

The Atlanta investigators also wanted to question two of the financial bagmen and the lawyer that worked for the Iraqi military technology procurement network because of their prominent roles in obtaining BNL funds for the Iraqi network. Dr. Al-Habobi and the others reported to the second most powerful man in Iraq, Saddam Hussein's son-in-law, Hussein Kamil.

Mr. Kamil had ultimate responsibility for the clandestine Iraqi efforts to develop weapons of mass destruction. The Atlanta investigators knew that Mr. Kamil was involved in the BNL scandal since the BNL employees told them they had met with Kamil when they went to Baghdad—an unheard of event for such non-important functions. Yet the State Department would not let the Atlanta investigators go to Iraq to interview Mr. Kamil's minions. Ultimately, Mr. Kamil wound up on the list of unindicted co-conspirators, no thanks, though, to the State Department.

The State Department of course had full knowledge of who Mr. Kamil, Mr. Al-Habobi and the others were and the role they played in Iraq's efforts to build weapons of mass destruction,

which may be why the State Department frustrated the United States attorney-Atlanta efforts to interview these persons. The State Department probably feared that the interrogation of these particular Iraqis would hasten the decline in the already deteriorating United States-Iraq relationship. In other words, foreign policy implications took precedence over law enforcement goals.

POSE QUESTIONS IN WRITING

Instead of allowing the United States investigators to travel to Baghdad, the State Department proposed that the Justice Department prepare a list of questions that it wanted to ask the Iraqis involved in the BNL scandal and the State Department would then forward the questions to Baghdad urging the Iraqis to be forthcoming with the BNL investigators.

In a February 9, 1990, cable from Lawrence Eagleburger, who is the Deputy Secretary of State, to April Glaspie, our Ambassador in Baghdad, Mr. Eagleburger informed the Ambassador of the letter-writing strategy. In ending the cable, Mr. Eagleburger stated that the United States Department of Agriculture attaché in Baghdad could be apprised of the strategy, but that he was not to convey that strategy back to his colleagues in Washington, his superiors in Washington, actually. Why not? Could it have been because Mr. Eagleburger saw the process as potentially embarrassing?

The letter-writing strategy was obviously intended to thwart a crucial portion of the BNL investigation.

STATE DEPARTMENT AGAINST TRAVEL TO TURKEY

In late 1989 and early 1990 investigators working on the BNL case in Atlanta also wanted to travel to Turkey to gather evidence and interview potential indictees involved in the BNL scandal. Again, the State Department would not allow the Atlanta investigators to travel to Turkey to interrogate one of the main perpetrators of the BNL fraud.

One of the main suspects in the BNL scandal was a man named Yavuz Tezeller. Mr. Tezeller was the manager of the New York office of a Turkish company called Entrade. Entrade is an affiliate of Enka, one of Turkey's largest multinational firms. Enka is involved with several United States defense contractors, including a joint venture with LTV, to produce rocket launchers.

Entrade acted as an agent for Iraqi enterprises by purchasing multiple goods such as agricultural commodities, chemicals, steel, and copiers. Entrade was a prime subject of the United States Department of Agriculture's investigation into irregularities involving the BNL scandal and the Commodities Credit Corporation program because Entrade was involved in 52 CCC-guaranteed transactions with Iraq and BNL.

When Mr. Tezeller got wind of the raid on BNL in August 1989, he refused to return from Turkey to answer questions. The Atlanta investigators immediately pegged Mr. Tezeller as a key figure in the BNL scandal. They had evidence showing that his firm had probably paid hundreds of thousands of dollars in bribes to certain BNL employees and that he had information that would be useful to solving certain aspects of the case. A January 9, 1990, Justice Department letter stated of Mr. Tezeller:

*** he can provide information regarding after sales services (a fancy word for bribes, kickbacks), unearned consulting fees, and other payments to Iraqis as well as kickbacks paid by United States and multinational companies to obtain Iraqi contracts.

The New York Times reported that the investigators working on the BNL case were not allowed to travel to Turkey to interview Mr. Tezeller. The paper states:

The officials said that during this period (late 1989 through early 1990) they sought the State Department's permission to visit Turkey and Iraq to interview some of the key conspirators. They said Mr. Barr's office (United States of America-Atlanta) told them they could not make these trips.

The committee is investigating Mr. Tezeller and Entrade's role in diverting CCC-guaranteed commodities intended for Iraq to the Soviet Union and Eastern Europe in payment for weapons purchased by Iraq. A Department of Agriculture investigation of Entrade uncovered no evidence that agricultural commodities sold to Iraq in the 52 BNL-financed CCC transactions involving Entrade ever actually arrived in Iraq.

The investigators were also not allowed to go after another key conspirator in the BNL fraud—a Jordanian named Wafai Dajani.

STATE DEPARTMENT DISCOURAGES INDICTMENT OF WAFAI DAJANI ON FOREIGN POLICY GROUNDS

Probably the most blatant example of State Department intervention to stop part of the BNL indictment for political reasons is the case of Wafai Dajani, a prominent Jordanian close to King Hussein of Jordan. Mr. Dajani owns firms called Amman Resources, Wafai Dajani & Sons, Arab Holdings and Aqaba Packing. Before starting these firms he worked for Ghaith Pharoan, the famed BCCI front man who has been indicted in the United States for his part in the massive BCCI scheme to defraud the United States banking system. Mr. Dajani owns houses in Baghdad, Amman, London, and Washington, DC.

Mr. Dajani's brother was the Minister of Interior in Jordan and his family has been Mobil Oil's agents in Jordan since 1921. He also has a joint venture in Jordan with the United States firm Comet Rice of Houston, TX.

Mr. Dajani was important to the United States-Iraq relationship in that

he was critical to keeping the CCC program for Iraq operating in a smooth fashion.

□ 1330

His firms handled the bulk of the CCC agricultural commodities once they arrived at the port of Aqaba in Jordan. Mr. Dajani's firm unloaded, stored, often packaged and then trucked the United States agricultural commodities to Iraq. Mr. Dajani handled about 80 percent of all CCC guaranteed shipments to Iraq. His firms handled over a million tons of U.S. wheat, and 350,000 tons of U.S. rice a year.

To illustrate his role look at his comments in a letter to the committee:

I worked very closely with the American Wheat Association, the Rice Council and the USDA and I am very well known to them. The American Agricultural Attache in Baghdad consulted me on a continuous basis and we tried to bridge the Iraqi/American interest into consent and concordance. This entailed that I met with the American Ambassadors during the period 1984-1990, like Ambassador David Newton and Ambassador April Glaspie who know me very well. I had to play the mediation role due to my extended business interest in USA and Iraq, a role necessitated by the nature of working relationship between the two parties. This role was greatly appreciated by the Government Officials of Iraq and the United States.

Mr. Dajani had close ties with the head of the Iraqi Grain Board, Zuhair Daoud. Mr. Dajani was close to the manager of BNL's Atlanta office, Chris Drogoul. Mr. Drogoul will go to trial on June 2 for his role in extending \$4 billion in unauthorized loans to Iraq—\$2.2 billion of those loans went to the Iraqi military technology procurement network. BNL extended millions in credit to Mr. Dajani's firm, Amman Resources.

To illustrate the importance of Mr. Dajani and his role in facilitating the BNL scandal with Mr. Drogoul consider a Department of Defense memo that states Mr. Dajani:

*** used his connections to allow Drogoul to travel freely through the Middle East, including Iraq, without the proper documents.

Mr. Drogoul met repeatedly with members of the Iraqi military technology procurement network in the United States, Europe, Jordan, and Baghdad. Mr. Dajani helped to facilitate those meetings and even attended several of the meetings.

To further illustrate the closeness of the Dajani/Drogoul relationship, soon after the FBI raid of BNL in 1989, Mr. Drogoul was fired by BNL, but Mr. Dajani stepped in and provided Mr. Drogoul with a \$50,000 a year job as a consultant. But Mr. Dajani's role is greater than that of being a key player in the BNL scandal in which he is listed as an unindicted coconspirator—he also has helped to arm Iraq.

DAJANI AND ARMS TO IRAQ

Mr. Dajani has helped obtain arms for Iraq from firms in Portugal and Cy-

prus. The Portuguese firm, Armiberica Defense and Security, S.A.R.L., in Lisbon is run by international arms traders Carlos Rosa, and a former Portuguese colonel named J.L. Mingot De Almeida, and others. They contracted to sell howitzers and ammunition to Iraq through Dajani.

The Cypriot firm, A&L Management Services of Nicosia sometimes referred to as Logint Ltd., is operated by a United Kingdom citizen and it contracted to sell small arms, ammunition, and the machines to make the ammunition to Iraq through Dajani.

The committee is investigating whether or not the CCC commodities destined for Mr. Dajani's grain handling facility at Aqaba were diverted to pay for these weapons and others. Needless to say he is the prime suspect in that investigation. The committee has been told that CCC guaranteed commodities were diverted through Turkey to Russia in order to pay for tanks. In addition Iraq's largest Eastern European weapons suppliers, Yugoslavia, Czechoslovakia, and Romania, may also have been paid in United States agricultural commodities.

In addition to selling arms to Iraq, numerous State Department reports indicate that Mr. Dajani's firms are at the top of the list of firms breaking the current United Nations trade sanctions designed to punish Iraq for invading Kuwait. Dajani's firms are at this moment providing Iraq with everything from foodstuffs to industrial goods. His firms are also closely linked to the Iraqi military procurement network that is responsible for acquiring technology for Iraqi weapons programs.

It is that latter part that is certainly violative of the embargo.

As for foodstuffs, I have said all along that the withholding of that has caused close to 100,000 Iraqi children to die needlessly. I think that, in view of our contribution, that of our officialdom to that mess that ended up in war, that to take it out in an almost point of extermination of a peoples is dead wrong, no matter how much they may be considered a country enemy.

His firms were also closely linked to the Iraqi military procurement network that is responsible for acquiring technology for Iraqi weapons programs.

Mr. Speaker, in early 1991, the Justice Department asked the State Department for its recommendation regarding the proposed BNL indictments. The Justice Department had placed Wafai Dajani on the list of BNL conspirators that it wanted to indict. A February 1991 memo containing the State Department's recommendation to the Justice Department states: "We have no objections to indictment of any individual on the list." But the memo contains a disclaimer regarding Mr. Dajani that states:

Wafai Dajani is a Jordanian businessman, not a government official. His brother is a

former Minister of the Interior, and Wafai himself is considered well connected to the King and to U.S. grain exporters. His indictment would be seen as a further attempt to "punish" Jordan.

The reference to punishing Jordan refers to the State Department's public expression of displeasure with the fact that Jordan had sided with Saddam Hussein and against the United States in the recent gulf war conflict.

Mr. Speaker, that is a lot more simplistic than reveals itself. As a matter of fact, had the President not been lusting after war, that false goddess of war, there is no question that, through the intervention of a direct descendant of the Prophet himself, the King of Jordan, more influence could have been dealt in order to prevent war through that office than anything else. But we would not hear of it, and we treated the King of Jordan quite miserably when he came to the United States early before the massive buildup.

Mr. Speaker, including the reference to Dajani's closeness to the King gives the impression that the indictment would be a personal affront to the King of Jordan and it would obviously have a negative impact on United States-Jordan relations.

While the State Department wrote that it was not opposed to the indictment of individuals involved in the BNL scandal, the memo clearly indicates that foreign relations considerations should be taken into account in the case of Mr. Dajani. And sure enough, Mr. Dajani has not been indicted for his role in the BNL conspiracy.

Now, more importantly, Mr. Speaker, the State Department's contribution to quash an indictment of the Central Bank of Iraq I think is perverse.

Even though the Central Bank of Iraq was an integral participant on the BNL fraud, the State Department and other agencies moved to quash the BNL indictment. A February 1991 State Department memo states:

We do object to the indictment of Iraq's Central Bank. We (and Justice) are aware of no precedent for criminal indictment of a foreign government agency.

Well, let me say by way of parenthesis: What are we prosecuting in Miami if it is not the head of a foreign state?

Continuing:

Justice argues that the Central Bank of Iraq (CBI) should be indicted because of its involvement in commercial aspects of the BNL scandal. In our view, such an indictment would raise serious questions of sovereign immunity, an area generally passed upon by State Department's Legal Department, because of its foreign policy implications.

The State Department, along with several other agencies, argues that a central bank should not be prosecuted that is indicted on technical grounds and to a lesser extent on foreign policy grounds. In effect, the State Depart-

ment is saying that a foreign central bank can come to the United States, and utilize the U.S. banking system to do whatever it wants and it cannot be prosecuted, and as a matter of fact central banks today are still doing it.

In the case of Iraq, its central bank was instrumental in carrying out a massive fraud to violate United States banking, export control, and arms export control laws in an effort to obtain technology to build weapons of mass destruction, yet the State Department's position is that it should not be prosecuted. That is taking the role of diplomacy a bit too far I think in this case, and sort of at odds with the other case. I will work on a legislative solution to that problem, which is what we have been doing by bits and pieces rather than the whole bit of legislative enactment.

□ 1340

Clearly even today foreign policy considerations are being used to obstruct justice. Key information is being withheld from the committee, and key conspirators who defrauded the U.S. taxpayer out of hundreds of millions of dollars in the B&L scandal go unindicted and untouched because they are close to governments that the State Department wants to woo, just as it held the line for its erstwhile friend, Saddam Hussein.

Mr. SLATTERY. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Speaker, I just wanted to commend the gentleman from Texas [Mr. GONZALEZ] for his tireless efforts to really disclose to the American people what was going on in terms of this Government's relations with Iraq and the banking world prior to the invasion of Kuwait, and I just commend the gentleman for his leadership on this.

I happen to believe very strongly that this is a very important issue. It is an issue that the American public have a fundamental right to know more about. It is an issue that is very critical to this Presidential election. It is an issue that, as far as I am concerned, raises serious questions about the competence of this administration's foreign policy and the direction of their foreign policy, and the gentleman from Texas [Mr. GONZALEZ] here has, in my opinion, done more than any other single Member of this body to bring some of this information to the public's attention.

Mr. Speaker, I say to the gentleman, "I commend you, Mr. Chairman, for your work, and I encourage you to continue to dig, and I would like to be of assistance to you in any way I possibly can as you attempt to inform the American public as to the serious charges, and allegations and information that you're disclosing."

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman from Kansas [Mr. SLATTERY], and, as I said before, he is a very preeminent member of the Committee on Banking, Finance and Urban Affairs, and I am very grateful for his help.

MEMORANDUM OF CONVERSATION

Date: October 13, 1989.

Subject: USDA Comments on Investigations of Iraq and the Banco Nazionale del Lavoro, Atlanta Branch, Scandal.

Distribution:

E: Richard T. McCormack, Under Secretary of State for Economic Affairs. Sam Hoskinson, Executive Assistant to the Under Secretary of State for Economic Affairs.

L: Abraham D. Sofaer, Legal Adviser.

NEA: Jock Covey, Acting Assistant Secretary.

EB: Eugene McAllister, Assistant Secretary. Robert Downes, Office of Development Finance.

Participants: State: Frank Lemay, Special Assistant to the Under Secretary for Economic Affairs.

USDA: Tom Conway, Associate General Counsel; Kevin Brosch, Attorney, Office of the General Counsel, FAS; Peter Bonner, Attorney, Office of the General Counsel, FAS; Larry McElvain, Director of Export Credits, CCC.

Locaton: Department of Agriculture, Office of the General Counsel, Room 2307.

SUMMARY

There are currently 10 separate investigations of Banco Nazionale del Lavoro, Atlanta Branch (BDLA), lending activity to Iraq. As investigators dig further into the paper morass, more and more indications of significant wrong-doing on the part of BDLA and Iraq are surfacing. It now appears that at a minimum elements of the Government of Iraq (GOI) knew of the illegal dealings of the BDLA but found it convenient to continue using its good offices. Indications are that in addition to violating US banking laws, the BDLA's activities with Iraq may have led to diversion of CCC guaranteed funds from commodity programs into military sales either directly, through barter arrangements during transit, and/or through requiring fees to be paid on various transactions in violation of US regulations. In addition, payments required by Iraq of exporters wishing to participate in the Iraqi market may have been diverted into acquiring sensitive nuclear technologies. This has yet to be fully substantiated. End Summary.

THE INVESTIGATIONS

The FBI, Federal Reserve, Comptroller of the Currency, US Attorney, USDA Inspector General Office, DOD Inspector General Office, Georgia State Banking Regulators, US Customs, the IRS, and Italian Bank Regulators are currently all investigating Banco Nazionale del Lavoro, Atlanta Branch, lending activity to Iraq. As Brosch put it "The investigations are at the explosion state." As investigators begin to dig through the BDLA's records and as BDLA officers agree to cut deals with the US Attorney, we can expect further revelations of who knew what when.

USDA expectations are that the investigation could "blow the roof off the CCC." With reference to the CCC program the question is whether GOI officials were involved in breaking US law and CCC regulations. As Conway pointed out, the GOI knew fully that its dealings with the BDLA were not sanctioned by the Banco Nazionale del Lavoro

home office. The GOI could have approached the home office for financing at any time. Because it did not do so, Conway said, "the US attorney believes the GOI was malfasant and involved."

Although most of the investigations are focusing on the illegal banking activities of the BDLA, USDA is looking at possible diversion of CCC guaranteed commodities during transit, illegal payments required by Iraq of exporters in order to enter the Iraqi market, and "After Sales Services" which require exporters to provide such items as trucks, spare parts and other agricultural and non-agriculture equipment as part of CCC deals. Companies that would not make payments and/or provide after sales service were apparently kept on a black-list and not allowed to participate in the Iraqi market. Violation of banking regulation is beyond USDA's scope; breaking CCC regulations is of paramount concern.

PAYMENTS

Available information indicates that the GOI required exporters to pay a substantial "consulting fee" to an Ohio based company named Churchill Matrix. The US Attorney has found that Churchill Matrix has its headquarters in Great Britain and is a wholly owned subsidiary of TMG, a GOI fully owned holding company. Some information has been developed that Churchill Matrix has been involved in supplying military hardware to Iraq. It is not clear if the fees required of exporters went to pay for the military purchases. Information indicates, but is not conclusive, that users of CCC program guarantees were forced by the GOI to pay the fees as well. If exporters did pay the fees, CCC was probably guaranteeing financing for both commodities and, through inflated pricing, the required additional payments.

AFTER SALES SERVICES

The GOI reportedly required exporters participating in CCC guaranteed exports to Iraq to provide "After Sales Services". These services required exporters to provide, free of charge, various types of equipment and spare parts to Iraq. The GOI was told by USDA about 18 months ago that these practices were illegal but they continued. The problem with these services, as with the payments, is that exporters figure the cost of the services into the declared value of the commodity sale. The upshot is that CCC is again guaranteeing financing of both commodities and non-commodity goods.

In both the required fee payments and the after sale services it is the exporter who is liable under US law for falsifying documents given to the USG. If they can show that Iraqi officials were involved, conspiracy charges could be brought against all those involved. The GOI has admitted to using both practices and sees both as "good business practices".

DIVERSION OF CCC GUARANTEED FUNDS/COMMODITIES

Although additional research needs to be done, it appears more and more likely that CCC guaranteed funds and/or commodities may have been diverted from Iraq to third parties in exchange for military hardware. McElvain reported that although, in the cases where adequate documentation exists, CCC commodities can be traced as far as Jordan and Turkey, in many cases it is not clear that they ever reached Iraq. Where documents indicate shipments arrived in Baghdad, the timing appears improbable—shipments arrive in Baghdad prior to arriving at interim ports. McElvain and the USDA IG are concerned that commodities were

bartered in Jordan and Turkey for military hardware. BDLA paperwork is so sloppy on this point that it may be months (or never) that we can reach a firm conclusion on the diversion issue.

NUCLEAR RELATED EQUIPMENT

USDA's Brosch noted that the U.S. Attorney said there was some indication that diverted funds (and possibly direct bank lent funds) were used to procure nuclear related equipment. Noted in particular were a "nuclear fuel compounder" and a "nose cone burr." Here the evidence of CCC diversion is not fully developed by the case remain open. DOD is apparently investigating this aspect of the problem.

ADDITIONAL ALLEGATIONS

Brosch and Conway said that the U.S. attorney is looking at additional allegations in the BDLA scandal. These include allegations of substantial over-pricing of commodities guaranteed under CCC; inclusion of non-U.S. origin commodities in guarantee program shipments; and, shipment of equipment under CCC commodity guarantee financing.

CONCLUSION AND COMMENT

Taken together the points discussed during the meeting indicate we should proceed carefully in urging the immediate provision of CCC guarantees to Iraq. If smoke indicates fire, we may be facing a four alarm blaze in the near future. This is particularly true given the intense scrutiny the CCC program has been under during the last year. McElvain indicated that there were 19 investigations of CCC this year and the "integrity of the program is now in question." USDA attorneys will be going to Atlanta for discussions with the U.S. attorney during the coming week. Additional information on the various investigations will be available upon their return.

U.S. DEPARTMENT OF JUSTICE,

Washington, DC, March 15, 1990.

Re Request for Meeting with Iraqis.

MICHAEL YOUNG,

Deputy Legal Adviser, U.S. Department of State, Washington, DC.

DEAR MR. YOUNG: The United States Attorney's Office for the Northern District of Georgia is investigating the activities of the Atlanta office of the Banca Nazionale del Lavoro (BNL), an Italian concern. That investigation includes extensions of credit made by BNL to Iraq during the period from January, 1986 to August, 1989. The Government of Iraq is aware of the investigation and has offered on a number of occasions to cooperate with the United States. The investigation is now at a point where the U.S. Attorney's Office wishes to accept the Iraqi offer and invite Iraq to have certain named individuals come to the United States for interviews.

Therefore, we request that the United States extend in an appropriate fashion, both in Washington and Baghdad, an invitation to Iraq to have the persons named on the attached list travel to the United States to meet with the U.S. authorities conducting the investigation.

In issuing this invitation you may tell Iraq that the investigation is for possible violations of U.S. law, including, 18 U.S.C. §§371, 1001, 1341, 1343, and 2314.

We would like to begin the meetings on March 26, 1990, or as soon thereafter as can be arranged. We expect that each of the persons invited will need to allow for a minimum of three days in the United States in connection with the U.S. Attorney's investigation. Further, the United States offers

its assurances that for such time as these individuals are in the United States as our guests and cooperating with the U.S. Attorney's Office, that Office will not serve process upon them or otherwise seek to assert jurisdiction over them. In addition, and pursuant to our standard practice, the United States is prepared to make and pay for the travel arrangements and per diem of each of the persons invited.

Finally, the Commodity Credit Corporation (CCC) and the Department of Agriculture (USDA) are considering a request by Iraq to extend \$500 million in export credit guarantees under CCC's GSM-102 program for the remainder of fiscal year 1990. The USDA and CCC also need to meet with the persons named above in connection with their own investigation into alleged irregularities concerning extension of credit by BNL to Iraq for commodity purchases under the GSM-102 program during the period from 1985 to 1988 in order to complete the processing of the Iraqi application. Therefore, and in order to accommodate all concerned, we propose that the USDA and CCC meetings with the Iraqis also be scheduled for the time while they are in the United States. In issuing the invitation for them to meet separately with the USDA and CCC, you may wish to inform them that the U.S. Attorney's Office is unable under our law to share the information it has developed with the USDA and the CCC, thus making it impossible to satisfy all U.S. interests in one meeting alone.

If you need further information, feel free to call me at 786-3500.

Sincerely,

DREW C. ARENA,
Director, Office of
International Affairs.

Attachment.

LIST OF INVITEES

Abdul Hussein Sahib, Director General, State Company for Foodstuffs Trading.
Harith Al-Barazanehi, Director General, State Enterprise for Tobacco and Cigarettes.
Zuhair Daoud, Director General, State Company of Grain Trading and Processing.
Sadik H. Taha, Director General for Agreements and Loans Central Bank of Iraq.
Ahmed Al-Dulaimi, Under Secretary, Ministry of Industry and Military Manufacturing.
Raja Hassan Ali, Director General, Economic Department, Ministry of Industry.
Dr. Fadel Jawad Kadhum, Legal Adviser.
Dr. Safa Al-Habobi, Director General, Al-Nassar Complex, Ministry of Industry; President, Chairman of TDG; President of Matrix-Churchill (England).

FEDERAL RESERVE BANK
OF NEW YORK,
April 5, 1990.

To: Mr. Corrigan.

From: Thomas C. Baxter, Jr.

Subject: Lavoro.

I followed up on your suggestion about a possible connection between Banca Nazionale del Lavoro ("BNL") and the nuclear triggers that were seized in London. As you suspected, there is a connection. Apparently, Von Wedel (a former officer of BNL who is now cooperating with the government) says that one of the transactions done with Rafidain Bank at some point referenced nuclear detonators. According to Von Wedel, this reference scared BNL away from this particular transaction, but it is possible that the lesson the Iraqis learned was to be generic in preparing the credit documentation. Thus, it is entirely possible that BNL financed some of this material.

At any rate, I have been assured that those conducting the criminal investigation in Atlanta are looking into these connections, with a view to developing additional criminal charges. The registration of the United States Attorney in Atlanta has led to a number of difficulties in that investigation. These difficulties have been compounded by what is perceived as interference from the Justice Department in Washington.

The press has also made a connection between BNL and the detonators. Attached you will find copies of two Financial Times articles doing just that.

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, September 26, 1990.
Hon. HENRY B. GONZALEZ,
Chairman, Committee on Banking, Finance and
Urban Affairs, House of Representatives,
Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to express my profound disappointment in your decision to ignore the strong objections of this Department in the *Banca Nazionale del Lavoro* (BNL) matter. I am similarly distressed by your refusal last evening to discuss the matter with me.

Your intention to schedule a hearing for October 9th on the investigation of unauthorized loans to Iraq by BNL and the request to interview both the Assistant United States Attorney and the government witnesses in the case raises the prospect that culpable parties will elude prosecution. Your staff is fully aware of the existence of our ongoing criminal investigation and the likely impact that these actions will produce on our efforts.

As you should be aware, this is a sensitive case with national security concerns. The United States Attorney in Atlanta advises me that both witness security and the willingness of witnesses to continue to cooperate with the investigation and prosecutions will be jeopardized by your Congressional staff interviews and hearing.

Mr. Chairman, a decision to proceed with these interviews and the hearing at this time significantly diminishes the Department's ability to successfully prosecute this matter. Accordingly, we again request that your staff work with the Department to find alternatives that allow both the legislative and the law enforcement processes to function.

Sincerely,

DICK THORNBURGH,
Attorney General.

FEDERAL BUREAU OF INVESTIGATION,
Washington, DC, October 5, 1990.
Hon. HENRY B. GONZALEZ,
Chairman, Committee on Banking, Finance and
Urban Affairs, House of Representatives,
Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to express my concern with the *Banca Nazionale del Lavoro* (BNL) matter. I have been informed that your Committee plans to hold an open meeting on Tuesday, October 9, 1990, on the BNL investigation with the intention of voting on issuing subpoenas for documents and individuals. I also understand that you intend to hold a hearing on these matters on October 16, 1990.

Mr. Chairman, you should be aware of the existence of an ongoing criminal investigation into these matters and the likely negative impact that the Committee's actions could have on this investigation. Among my concerns are the possibility of grand jury information being inadvertently disclosed in your proceedings or other statements or evi-

dence being disclosed prior to the anticipated trial. I am similarly concerned that the Committee's actions may prevent both further cooperation by witnesses and in fact may pose a serious threat to witness security or jeopardize successful prosecution.

I regret that we did not have the opportunity to discuss these matters today. I hope that we can work together to prevent serious damage to a very sensitive and important case.

Sincerely,

WILLIAM S. SESSIONS,
Director.

U.S. DEPARTMENT OF STATE,
Washington, DC, December 18, 1990.
Re Banca Nazionale del Lavoro Investigation.

LAURENCE A. URGENSEN,
Chief, Fraud Section, Criminal Division, U.S.
Department of Justice, Washington, DC.

DEAR MR. URGENSEN: On October 8, 1990, you wrote a member of my staff concerning the Justice Department's investigation into the activities of the Banca Nazionale del Lavoro (BNL), particularly in connection with its extension of credit to the government of Iraq. You requested this Department to review its files to determine if they contained information pertinent to the investigation, and you invited the Department to raise any national security concerns posed by the investigation.

Since then, we have been in regular contact with your office, and have gathered a number of possibly relevant documents; arrangements are being made for the Justice Department to review them. With respect to the national security aspects of the investigation, we have determined that the State Department does not have any concerns it wishes to raise at this juncture. However, we would ask that you keep us apprised to the extent possible of the course of the investigation.

Thank you for bringing this matter to our attention.

Sincerely,

EDWIN D. WILLIAMSON.

COMMITTEE ON BANKING, FINANCE
AND URBAN AFFAIRS,
Washington, DC, September 28, 1990.
Hon. RICHARD L. THORNBURGH,
Attorney General,
Washington, DC.

DEAR MR. ATTORNEY GENERAL: The purpose of this letter is to respond to your letter of September 26, 1990, and to express my distress over your apparent lack of understanding of the investigative and legislative functions of the Congress.

On September 21, 1990, I agreed to allow my staff to meet with your staff to discuss the Justice Department's concerns related to the Banking Committee's investigation of the Atlanta Agency of Banca Nazionale del Lavoro (BNL). During, and subsequent to this meeting, your staff was unable to comply with my request for specific justification for suspending this most important inquiry.

Specifically, the Justice Department failed to reveal how interviewing employees from the Federal Reserve Board, the Federal Reserve Bank of Atlanta, the Department of Banking and Finance of the State of Georgia, and current and former employees of BNL would, as your letter states, "significantly diminish the Justice Department's ability to successfully prosecute this matter." In addition, the Justice Department failed to demonstrate how the Banking Committee's investigation would jeopardize the

personal security of witnesses or inhibit their cooperating with the Justice Department's investigation of BNL.

As Chairman of the Banking Committee, I am concerned that the regulation and examination of the U.S. branches and agencies of foreign banks (see the International Banking Act 92 Stat. 607) is inadequate. These entities command over \$500 billion in assets in the U.S., and a significant portion of their liabilities are guaranteed by the Federal Deposit Insurance Corporation (FDIC). The magnitude of the BNL fiasco (i.e., \$2.8 billion in unauthorized loans to Iraq), while not directly posing a risk to the FDIC, certainly raises the question of the adequacy of state and federal regulation and oversight of these entities. Rest assured, in order to ensure the U.S. branches and agencies of foreign banks do not pose an undue risk to the already beleaguered FDIC, the Banking Committee will continue to investigate the adequacy of the regulation and examination of these entities. The BNL case provides a clear case of a regulatory breakdown that needs to be understood and addressed.

With regard to the Banking Committee's legislative interest in BNL, the Federal Reserve has notified me that the BNL investigation uncovered a loophole in the criminal code that will probably allow former employees of BNL to escape Federal prosecution for fraud, theft, embezzlement, misapplication of funds, and bribery. You can be sure that I will continue to work to correct this over decade long Justice Department oversight. I have been given permission by the Rules Committee, and I intend to offer, a floor amendment to the crime bill that will close this loophole in the criminal code.

I hope this letter has served to properly inform you as to the Banking Committee's legislative and investigative interests in BNL. I trust the Justice Department will provide its full cooperation.

Sincerely,

HENRY B. GONZALEZ,
Chairman.

Memorandum for: Assistant Attorney General.

From: Treasury Department, Export-Import Bank, Federal Reserve System, Defense Legal Services Agency, Department of Defense, Department of State.

Subject: Indictments of the Central Bank of a Foreign State.

You have asked us for our views and the views of our respective agencies or departments concerning proposed indictments of the central bank of a foreign state, certain of its officers, a commercial bank owned by the foreign state and certain of its officers. On the basis of the facts disclosed to us (particularly the commercial role played by the commercial bank), we strongly support the indictment of the commercial bank and the individuals. We feel, however, that a distinction needs to be made between individuals and commercial entities involved in clearly commercial activities on the one hand and government agencies, such as a central bank or an export credit agency, on the other hand. Therefore, while our position has nothing to do with the particular government agency involved, we feel that we must oppose its indictment.

The principal legal problem with the indictment of a central bank of a foreign state is the assertion that a foreign government agency does not have sovereign immunity from criminal prosecutions. (This position would not be affected by the fact that offi-

cers of the agency were performing unlawful acts or by the fact that we support indictment of such officers individually.) We have found no domestic or foreign precedents that would support an indictment of a government agency such as a central bank. We are concerned about the particular suggestion that indictment of a central bank is desirable in order to lay the basis for criminal forfeiture of the central bank's assets.

The closest expression of a USG policy on the subject is found in the Foreign Sovereign Immunities Act of 1976 (FSIA), which specifically provides immunity, in the absence of an explicit waiver, for the assets of a central bank of a foreign state. Thus, regardless of whether the activity of a central bank is "commercial" in nature, its assets are immune from execution of a civil judgment in the absence of an explicit waiver. Providing immunity, according to the legislative history of FSIA, is necessary in order to assure central banks that their assets on deposit in this country will not be attached and in order to avoid foreign relations problems. We see no reason for a different result in a criminal case. Quite the contrary, despite the adoption of restricted immunity for foreign sovereigns in civil suits, international law has continued to recognize absolute immunity for government agencies like central banks from criminal prosecution in foreign courts.

We believe such an indictment would also pose the following serious problems:

While there is no anticipation that there will be any dealings with the central bank in question until there are major changes in the current international situation, should there be such changes, it would be very difficult for the USG to work with the bank were it indicted.

Such an indictment would, in the view of the State Department, contravene customary international law relating to foreign sovereign immunity. The Office has consulted with its British counterpart, which concurs. The British, who have modeled their approach to sovereign immunity on our FSIA, believe criminal immunity is absolute and that an assertion of criminal jurisdiction, even with respect to commercial activity, would be rejected internationally. The State Department believes that asserting a "commercial activities" exception to criminal sovereign immunity of government agencies would substantially undermine our efforts to broaden international support for the "commercial activities" exception to civil immunity.

The indictment would set a precedent for the assertion by foreign states of criminal liability on the part of the USG and its agencies. We would vigorously assert sovereign immunity in such a setting, and would not agree that we should submit to the jurisdiction of a foreign criminal court in order for that court to determine whether the US agency's actions were "commercial". We do not want to encourage foreign states to address complaints regarding allegedly criminal action by US agencies through their courts rather than diplomatic channels. We would not be able to confine the precedent to the facts of a particular case—in fact, the links between the USG and the Federal Reserve System, the Export-Import Bank, and several other entities for which we would assert sovereign immunity from foreign criminal jurisdiction might be viewed by a foreign court as weaker than the link between most central banks and their states.

Forfeiture of a central bank's assets could similarly be cited as a precedent by foreign

states to justify an attempt to attach or seek forfeiture of the substantial assets of various USG agencies, including the Federal Reserve System and the Department of Defense, located outside the U.S.

The conclusion that agencies of foreign states, such as central banks, lack criminal immunity could subject them to possible indictment and prosecution in State and local courts, a process which the federal government cannot control and which could severely complicate the President's conduct of foreign affairs.

[In the U.S. District Court for the Northern District of Georgia, Atlanta Division, Criminal Indictment No. 191-CR-078-04]

UNITED STATES OF AMERICA, VERSUS
CHRISTOPHER P. DROGOU, THERESE
MARCHILLE BARDEN, AMEDEO DECAROLIS,
ENTRADE INTERNATIONAL LTD., YAVUS
TRIKELLER, RAFIDAIN BANK, SADIK HASSON
TAHA, ABDUL MUNIM RASHEED, RAJA
JASSAN ALI, AND SAFA HAJI AL-HABOBI

GOVERNMENT'S RESPONSE TO DEFENSE MOTIONS
FOR LIST OF UNINDICTED CO-CONSPIRATORS

Comes now the United States of America and names the following unindicted co-conspirators Count I

Persons and employer during conspiracy

Amir H. al-Saadi, Ministry of Industry & Military Production.

T al-Tuchmachi, Rafidain Bank and Rasheed Bank.

Wafai Dajani, Amman Resources, Inc., Aqaba Packaging, Araba Holdings.

Julie Daniels, BNL-Atlanta.

Zuhair Daoud, Iraq Grain Board.

Pierre G. Drogoul, COMSUD, TMCI.

Charles C. el-Chidiac, Selco East Consult-

ants.

Brenda Forrest, BNL-Atlanta.

Subi Frankool, Central Bank of Iraq.

Thomas Mobley Fiebalkorn, BNL-Atlanta

(plead guilty to Criminal Info. No. 1:91-CR-

126).

Central Bank of Iraq.

Kamil Hassan Hussein, (Hussein Kamil Hassan) Ministry of Industry and Military

Production.

Jean Ivey, BNL-Atlanta.

Fadel Jawad Kadhum, Ministry of Industry

and Military Production, Matrix Churchill,

Ltd., Matrix Churchill Corp., and T.D.G.

Mela Maggi, BNL-Atlanta.

Saalin (Sam) Naman, Matrix Churchill

Corp.

Leigh Ann New, BNL-Atlanta (plead guilty

to Criminal Info. No. 1:91-CR-88-01).

Robert Post, BNL-Atlanta.

Pamela Prosser, BNL-Atlanta and Entrade

International Inc.

Patricia Scudellari, BNL-Atlanta.

Abdulahad P. Toma, Central Bank of Iraq.

Paul Robert VonWedel, BNL-Atlanta

(plead guilty to Criminal Info. No. 1:91-CR-

89-01).

UNINDICTED CO-CONSPIRATORS COUNT II

Persons and employer during conspiracy

Fritz (Guiddy) Bashler, Cargill Inter-

national S.A.

Cargill, Inc.

Cargill International S.A.

Curt Johnson, Cargill, Inc.

Mike Mooney, Cargill, Inc.

Huub Spierings, Cargill International S.A.

Eduardo Vigil, Cargill, Inc.

Respectfully submitted,

GERRILYN G. BRILL,

Acting U.S. Attorney.

GALE MCKENZIE,

Assistant U.S. Attorney.

CERTIFICATE OF SERVICE

This is to certify that I have this day served upon the following persons listed below a copy of the foregoing document by depositing in the United States mail a copy of same in a franked envelope requiring no postage for delivery.

Sheila Tyler, Esq., Paul Kish, Esq., 101 Marietta Tower, Suite 3310, Atlanta, GA 30303.—Attorneys for Christopher P. Drogoul.
Alan J. Beverman, Esq., 1800 Peachtree St. NW, Suite 300, Atlanta, GA 30309.—Attorney for Amedeo DeCarolis.

Ed Tolley, P.O. Box 1927, Athens, GA 30603.—Attorney for Therese M. Barden.

William J. Schwartz, Kronish, Lieb, Weiner & Hellman, 1345 Avenue of the Americas, New York, New York 10105. Seth Kirschenbaum, Davis, Sippman, Kirschenbaum & Lotito, 918 Ponce de Leon Avenue N.E., Atlanta, Ga 30306.—Attorneys for Entrade International Ltd.

This 12th day of September, 1991.

GALE MCKENZIE,
Assistant U.S. Attorney.

ANNOUNCEMENT BY CHAIRMAN OF THE COMMITTEE ON RULES RELATIVE TO H.R. 2039, LEGAL SERVICES REAUTHORIZATION ACT OF 1992

Mr. MOAKLEY. Mr. Speaker, this is to notify Members of the House of the Rules Committee's plans regarding H.R. 2039, the Legal Services Reauthorization Act of 1992. The committee is planning to meet this week to consider the bill. In order to assure timely consideration of the bill on the House floor, the Rules Committee is considering a rule that may limit the offering of amendments.

Any Member who is contemplating an amendment to H.R. 2039 should submit, to the Rules Committee in H-312 in the Capitol, 55 copies of the amendment and a brief explanation of the amendment no later than 12 noon on Thursday, April 2, 1992.

We appreciate the cooperation of all Members in this effort to be fair and orderly in granting a rule for H.R. 2039.

ISSUES FOR TODAY

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, I want to take the well today to discuss briefly some of the issues that people in this country are concerned about that surround the Congress, the White House, and that involve the American people.

Last evening I was watching a news program on television entitled "60 Minutes" which many Americans watch, a very popular show, and it included a piece I wanted to mention about my friend, the gentleman from Texas [Mr. GONZALEZ]. It included a piece about Iraq dealing with former Secretary of State Henry Kissinger and some of the

issues about his consulting business, but in the context of that "60 Minutes" piece, included were some statements by the gentleman from Texas [Mr. GONZALEZ], some of the statements he has made here in Congress about what was going on with respect to the administration and the country of Iraq, and I just wanted to commend Mr. GONZALEZ on the work, the careful, thoughtful, investigative work, he has done with respect to what was going on with Iraq prior to the Iraq-Kuwait invasion.

I did want to say also that on "60 Minutes" last night they interviewed H. Ross Perot. H. Ross Perot is a Texan, kind of an interesting guy, who talked about maybe running for President, and he talked a little about why he might consider that.

Now, I serve here in Congress as a Democrat, as an American most importantly, but organized in the Democratic caucus. We have every right in this country, if we want to, to rush out and join a third-party movement or start a third-party movement, whether it is H. Ross Perot, or John Anderson or George Wallace, or a Bull Moose Party. We have every right under the circumstances described in our Constitution to do that in this country. In most cases it is not successful, and it has not been successful in most cases because the major political parties who fight for and vie for the opportunity to serve in the White House and here in Congress are entrusted by the American people to conduct this country's business.

But no one should mistake that this country is angry and fed up. The people in this country are concerned, angry and fed up about what they see in Washington. They see political gridlock, they see a President who obviously cannot lead on domestic issues and a Congress that obviously will not follow on domestic issues. Meanwhile, the ship of state drifts with no one on the bridge, and the American people are concerned.

Mr. Speaker, I think the anger, and the frustration, the concern, is because most people have a knot deep in their gut about this country. The knot of fear is that somehow power is shifting in this world and America is losing.

I have said before on the floor, and it is useful repeating, I think, that a century ago economic power shifted to this country from England. We became the world's preeminent economic power. It was not put on a boat somehow and just sailed off to New York, and to the New World and to America. Nobody actually saw it shift, but it did. A century ago power shifted to the United States, and we became the world's preeminent economic power.

A century later it is shifting again. There is no doubting that. The question is: How much will shift, and during what time will it shift? It is shifting from here to the Pacific rim, from

here to Europe. The question is: What will our future be? Will we remain the preeminent world economic power? Will we be able to stem the tide and be able to alter that shift so that this country does the things necessary to put us back on track and retain the economic strength we need?

It is that fear, the fear in the gut of the American people, that this country is losing, this country has lost its way, this country has lost its grip, and we may not see economic growth, we may not see new jobs and new opportunity in the future; it is that fear that has the American people angry, and concerned and upset about what they see in Washington, DC. And that is why H. Ross Perot strikes such a resonant chord.

H. Ross Perot; I do not know what he stands for much except that I listened to him, and I think, "Yeah, that's kind of interesting. He says we have to own up to all of these things. You can't spend a billion dollars a day you don't have on things you don't need and retain an economic health."

Mr. Speaker, he says those things. All of us know those things. Surely the President knows that. Certainly the Congress must know that. And the American people must wonder then, well, why someone does not do something about it.

Let me talk about the budget deficit for a couple of minutes, and let me hasten to say at the start that it is everybody's responsibility and everybody's fault. I am not here to suggest that the Democrats are absolved from responsibility on the budget. I happened to vote against the President's budget proposal this year, but I also voted against the Democratic budget bill, too. The reason I did was that both of them were recipes for more, and more, and more deficits.

And I do not label myself as a conservative or an ultraconservative. I am somewhere in the middle of this body. But I label myself as someone who is not content to be a trustee in bankruptcy around here. I will not vote for budgets and say, "Well, ours is better than theirs. We only call for \$440 billion in deficits for next year." That is not good enough for me. This country cannot embrace those kinds of deficits and move ahead with any kind of opportunity for economic growth.

Now the President sent us a budget document in February. The President says he is a conservative; at least he is out on the campaign trail as a conservative. He sent a budget document with a red, white, and blue cover, it is a couple thousand pages, weighs about 10 pounds, and in that budget document he proposes the following deficits. Now he is not forced by Millard Fillmore or Jimmy Carter to propose these deficits. These deficits have his name on them. It is his budget. He says, "Here's what I want for this country's future: spend-

ing and revenue plans resulting in deficits."

On page 25; look it up if there is any doubt; he says, "Here are the deficits for this year and the coming 5." This President proposes to add \$2.21 trillion to the Federal debt in this year and in the coming 5; this from a conservative.

Congress; well, it says, "Yeah, we'll play in that stadium. We just want to quibble about the yard lines where we spot the ball. Our deficits are only going to be \$438 billion. Yours are \$440 billion for the next year."

Well, that is not, it seems to me, constructive. That is not saying, "Let's change the whole system. This isn't working."

□ 1350

Let's drop the whole approach and start over because you can't spend money you don't have."

The result of the President's proposals is to propose that in 6 years we spend an average of \$366 billion a year more than we take in. That is for 6 years, every day, 7 days a week, every week, every month, he proposes that we spend a billion dollars a day more than we take in.

What happens to that billion dollars a day? That is charged to our kids and grandkids. They will pay that, along with the interest, but they will pay a much heavier price than just the money. They will pay an enormous price in lost opportunity for this country, in lost opportunity for economic growth and expansion.

I know there are people who will listen to this and say, "Well, that's not the President's fault. He doesn't appropriate any money."

Well, there are three steps to this process. First, by law, the President sends a budget to Congress. That is the genesis of the fiscal policy. That is where it starts in this country. This President sends a budget to Congress that says, "I want to spend \$2.2 trillion more than we take in in the coming 5 years, this year and the coming 5." That is the first step. It is the wrong step, and it is a step in the wrong direction.

Congress then embraces a budget. It might quibble about a few things, but then it embraces a budget that is probably similar to the fiscal policy set forth by the President. Then Congress passes appropriations or spending bills. Then when the appropriations or spending bills are passed by the Congress, they go to the President and he either signs them or he vetoes them. His veto pen has the power of two-thirds of all the votes in both the House and the Senate.

So when people say to me, "It's you Democrats. You have the sole responsibility. It is your fault because the President doesn't appropriate any money," it seems to me they just forget what happens.

The President sends a bill, the Congress appropriates money, and the President either signs or vetoes the appropriation bills. This is a shared partnership, a shared responsibility of a decade of failure, and it seems to me we ought to wake up, all of us, the President and the Congress, and decide to stop it. Some way, somehow, some day someone is going to insist that this process be stopped in its tracks. It may come from an economic catastrophe, it may be some other event, it may be a political revolution of sorts, but somehow we cannot continue.

I have spoken on the floor about what we need to do to put the country back on track, but before I recite from those areas today, I want to point out that this House and this Congress have been under a substantial siege of scandal and concern about its management. This Congress, it seems to me, cannot move forward and do the things it must do until it resolves those issues.

Everybody here ought to be embarrassed about the stories of scandal. Yes, some of it is journalism at its worst. I see story after story that is fundamentally wrong, inaccurate, but other stories are right on point, dead center and absolutely accurate. We need better management in this place. We ought not have these episodes of mismanagement. They ought to be dealt with, and promptly.

Second, we ought not have these scandals. They ought to be dealt with quickly and promptly, and we ought to move on. People elected Members of Congress not to come here and deal with perks. As far as I am concerned, we ought to deal with all the perks by getting rid of them. Let us not have a question about perks. Let us just get rid of them here, downtown, and wherever they exist in the official structure of government. We ought not have those questions.

Anybody who came here because they think perks are a good thing ought not be here. Most people, good people, on both sides of the political aisle, Republicans and Democrats, conservatives and liberals, came here in most cases, I think, because they wanted to contribute to the public good. We do not need perks to do that. It seems to me we ought to resolve all the management issues and all the perk issues and respond to the scandals as frontally as they can be responded to, and then move ahead.

And when we move ahead, it seems to me we ought to move ahead in this way: First, I have talked about the budget deficits. We cannot continue budget deficits in this magnitude. It is going to kill this country's initiative and choke its productivity. What are we going to do about it?

Well, there are only two ways. We have to have additional revenue or we have to cut spending.

It seems to me that as we take a look at the deficits, we ought to understand

that the American people are right; we spend too much money. I have been involved for the past year in looking at government waste with a task force. I can cite chapter and verse about waste.

We have 1,200,000 bottles of nasal spray down at the Defense Department. How many years would it take for our Army to use 1,200,000 bottles of nasal spray? Also at DOD they have 14 pages of regulations about how to buy fruitcake. My mom can tell them how to buy fruitcake. They do not need 14 pages of regulations. We can go through all the regulations and all the procurement and all the machinations of this Government and decide very quickly that we spend too much money.

If this were a business, the first thing we would cut is overhead, but because we print the money, we do not start that way, and we ought to. We start with what we spent last year and add to it for inflation, and that is the baseline. That is the wrong baseline. If we were running a business, we would say that where we start we are in trouble. There is no dividend. There is no peace dividend. A company that loses \$400 billion a year does not pay a dividend. Neither would a government. There is no dividend. What we ought to do is understand that we have to cut costs and cut expenditures. How do we do that?

The place to cut is in overhead. We spend \$270 billion to \$300 billion in this Government on overhead, for travel, printing, postage, and it goes on and on and on. We ought to cut overhead by 10 percent. That would save \$30 billion a year. Is that hard to do? Of course it is. Is it necessary? You bet it is.

It this were the private sector, if this were a private company, there would not be any question that that would be done. It seems to me there are ways for us to deal with these budget deficits, and it seems to me we ought to get aggressive and understand we do have to cut some spending.

Cutting overhead does not mean we are cutting programs that are essential to people in this country. Yes, we can trim some of those as well. When a program does not work, we ought to decide that it does not work and get rid of it.

We have had a couple of decades of vending machine political programs. If there is a national ache, somebody puts in a quarter and we get out a national program, and then we run right to the next national ache to find out how we can deal with that one without ever stopping to wonder whether the last program was working. We should ask, did it accomplish what we wanted?

We can, it seems to me, cut spending, and we ought to. We cannot continue as if nothing else is happening. We have an enormous, crushing deficit that cripples this country's future, and it is time for us to respond to it.

Mr. Speaker, in addition to the need to address budget deficits, if we are to

be successful in this country, we need to address international trade. I am not quite sure what happened to the notion of being shrewd Yankee traders, because that is what we were in this country. We were known as the shrewd Yankee traders. Now we have become all too often known as Uncle Sucker. The fact is that other countries see our markets and they say, "You know, we would like to sell in your markets. We have got a lot of products we want to send to your markets and sell in America."

Then we say, "That's fine. We will open our markets. You come right in and sell whatever you want."

But then our producers and our employees make some goods and send them to their markets, and what we discover then is that their market is closed. They say, "You can't sell American goods in our markets. Our markets are closed. We are protecting our country's producers."

I say that I want free markets, but I say also that we ought to have a reciprocal trade policy and hold up a mirror to Japan and a mirror to Europe and a mirror to Korea and say, "Look in the mirror. You will get what you see. Our market is open to you. Send all your goods to our market that you like, but your market must then similarly be open to American products and American producers and the work of American employees. If it is not, we will impose on you exactly the restrictions you impose on us."

This country cannot have a trade policy which allows us to choke on deficits because we cannot get American products into foreign markets. And when we do get them there finally, they have to be the best products in the world. If we are not producing the best products in the world, they do not sell. The fact is that when people around the world pick up a good and it says, "Made in the U.S.A.," if they think immediately, "I know what that means; that means this is the finest product I can buy," when they do that, they buy "made in the U.S.A." products from the labor of American workers, and that creates American jobs and American economic progress. But it relates to quality. People want to buy the best product at the best price. We need a national commitment in this country to restore product quality once again; we need a partnership from the private and public sector to try to restore the notion in this country that our products have to be the best in the world.

□ 1400

When and if we do that, it will contribute to our national economic health.

The next step is we ought to start trying to put a damper on foreign aid. We ought to start sending less in foreign aid, stop forgiving so many for-

eign debts, and start increasing our resources here.

I am not suggesting that people who are hungry should not receive food and that people who need medicine should not receive medical treatment. I serve on the Hunger Committee. In fact, I am chairman of the International Task Force. I have toured refugee camps all over the world. I cannot think of anything that makes me prouder than to go to a refugee camp and see people who are desperate, who have nothing, except they have some help from the Americans who have said we want to help, we want to extend a hand, give you some food, and give you some medicine.

Young kids dying in their cribs in neonatal clinics in Haiti where I have been, and refugee camps in the mountains between El Salvador and Nicaragua. It makes me proud to see the distribution of powdered milk from Americans for kids who are starving.

And that is true all over the world. That is not the foreign aid I am talking about. I am talking about foreign aid that represents guns being sent to both sides of the war. We have done that. We were the arms merchant of the world.

Do you want guns? Well, just put on some sunglasses and a khaki jacket, smoke a big cigar, and tell us you are an anti-Communist dictator someplace. We will send you all the money that the American taxpayer can spare. That is what they did for a decade. We do not need more arms aid to governments that should not have it. What we need is food aid and medical aid to people who need it.

It is time for us to change those priorities and decide to save some money in those areas and invest in that critically needed area here at home.

We have got plenty of investments here at home. We have job training, farm programs, education, health, and the list is endless.

First let us reduce the deficit, but then second, let us stop sending money where it is not needed and start investing it here at home.

Finally an issue that I have worked on for a decade, and that is to finally and irrevocably shut down this orgy of speculation in this country dealing in LBO's, hostile takeovers, and junk bonds, and instead make a commitment to have a business community that produces the best products in the world.

We have gone through a decade in which we have seen a carnival of speculation. Wall Street became a casino society for a while, junk bonds, LBO's, and hostile takeovers.

There was never a discussion about how do we make better products and sell them at better prices. The question was how do we take someone over? How do we issue junk bonds to do that?

You know, the ultimate crowning glory of the excesses of the 1980's seems

to me came as a result of a story that said the good old U.S. taxpayers are stuck with junk bonds in the Taj Mahal Casino built by Donald Trump.

Is that not an interesting irony, a cruel irony, of the 1980's? Here is a guy, a mogul, I suppose he is still a mogul, who decides to build the richest, the glitziest, the biggest casino in the world.

I have no problem with that, except that in order to build this Taj Mahal, as it is called, he floated junk bonds.

Well, what happened with junk bonds is what was happening around the rest of the country. He had S&L friends buying up junk bonds, so the S&L friends got stuck with the junk bonds. Then the S&L went belly up, because they were gambling, and part of the reason they were gambling is because they were buying junk bonds. The S&Ls went belly up, the Federal Government took over the S&L, the Federal Government ends up owning junk bonds and the Taj Mahal.

Meantime, the Taj Mahal itself was in financial trouble and not meeting the payments on the junk bonds. The crowning achievement here in a decade of excess, wretched excess, is that we end up owning junk bonds, the taxpayers end up owning junk bonds, and the Taj Mahal Casino.

And it was not just the Taj Mahal, I might say. Resorts International and Bally's and a whole range of other casinos as well also.

What went on in the 1980's was very destructive to this country's economy. We need a different approach. We need to decide that we have to get back to business as Americans. We need to be good traders, we need to be good producers, we need to be inventive, we need to encourage investment and research and development.

I do not think there is another country that is going to win in the economic competition with this country, if we put our minds to it and decide what we are about and decide to make a commitment to it.

President Bush and President Reagan before him have been very adamant. There should be no national plan, no industrial policy as such, because to have some sort of a plan or national policy, an industrial policy of what our strategy is as Americans in dealing with this new international global competition, it would represent somehow the Government picking winners and losers.

They say we do not want that. What we want is somehow there to be a hands-off policy. No strategy, no plan, no industrial policy.

Well, that does not make much sense. I mean, everybody that we compete with in the international marketplace has a plan and a strategy, an industrial policy of sorts.

Even if we could not figure out one for ourselves, maybe we could just take

the Japanese. I mean, the Japanese have decided here is what is important for the long-term economic success of Japan. Here are the areas of manufacturing, the areas of economic activity that are essential for this country to survive, the Japanese say.

Well, in this country if we refuse to make those selections, maybe we just ought to take the selections made by other countries. It is better than not having any selection.

The result is we have no selection, we have no strategy. We do not even wear the same uniform. We have no team, we have no plays, we have no signals. We are just floundering around, drifting. It makes no sense at all.

If this country is going to succeed, it has to decide it is playing in an entirely different game, 10 years ago, 20 years ago, 40 years ago, it was different. When I used to wake up in a small town in North Dakota, 300 people in my hometown, I woke up and went to school in the mornings knowing we were No. 1. There was no question about that. I just knew it. Everything around me told me we were No. 1. We were the biggest, the best, the strongest, the most. We were just No. 1. We did not have to do very much to stay No. 1.

It is not true any more. We face very shrewd, very tough international economic competition, from the Japanese, the Germans, the French, and so many others. And we have got to do things differently if we are going to win.

The winners get the jobs. The jobs represent the economic health and the growth and the opportunities. Not only are we not smart and not able to win because we do not have a strategy at this moment, but we have decided and have for a long while that we will simply pay their defense bills as well.

So we spend \$100 billion a year paying the defense bills of Japan and Western Europe. We borrow money from Japan to protect France against an invasion from Poland, despite the fact, as crazy as it sounds, that Poland does not want to invade France. They want to shop in France. Poland is free, for gosh sakes.

Times have changed. The American taxpayer cannot pay everybody else's defense bills any more. For a decade and two decades and three we have good engineers and good scientists trained in our best universities. They go into the job market to build F-16's, aircraft carriers, and XM-1 tanks.

In Japan their counterparts, and there are more of them being trained, more engineers and more scientists, get their degree and run off to build better toasters, better television sets, better VCR's.

We end up first in missiles, and they end up first in VCR's and television sets. And guess what that means? That means economic prosperity, economic growth, it means jobs and opportunity in Japan.

That is why things have to change. You know, I had a constituent at a meeting tell me one day, "It would be nice," he said, "if Washington, if the President, and if the Congress would simply start telling it straight, saying here are the problems and here are the range of answers. Instead of always glossing it over, never quite discussing it on point."

Is it not interesting that we have a Presidential race going on and there is not a thoughtful debate, not one thoughtful debate that I have heard, about what this country's trade policy ought to be?

Is it not interesting that we have a race for the Presidency in full swing, and there is no thoughtful, interesting, provocative, honest discussion about how we end these crippling budget deficits? None. You do not hear any of it.

For a decade we have had campaigns where it is morning in America. Well, I guess morning came, evening came. I am not sure what season it is any more in this country. But I know that the American people, at least my constituents, are saying and have been saying for some while, "You all ought to just tell the truth. If you tell the truth, the American people can handle it."

Adlai Stevenson said once trust the people. Trust them with the facts. Trust their faith and fortitude to do what is right.

The fact is, the reason Ross Perot, when I started this discussion I pointed out that Ross Perot is considering running and I think he would make a pretty formidable candidate.

The reason I think he would make a formidable candidate and the reason a third party candidacy seems so ominous to some this year is because I think most of the American people take a look at 1600 Pennsylvania Avenue, at George Bush, and they look at this Congress, and they say, "You know, I don't hear anything that sounds like the truth to me. I hear them say a lot. They certainly are talking a lot. But I don't hear anything that rings true, because I have this knot in my belly about my fears for this country's future, and they keep talking about things will be just fine, if we just wait, and we are on course and doing the right thing. All we have to do is wait a little more and we will turn the corner again."

□ 1410

The American people know that is not true. They know these problems are very nagging problems that threaten this country's future. They know that something is not right and they want something done.

I would be willing to do a lot of tough things. I am one who supports a constitutional amendment to balance the budget. I never came here thinking that was necessary. Why should we ask the Constitution to force people to do

what they should do anyway? But I guess we have to do that. I wish we could win on that. I voted for it last year. I believe the President ought to have the line-item veto. Forty-three Governors have a line-item veto. So should the President.

I do not believe for a second it would make any difference in the deficit. The President keeps saying we have this deficit because, "I do not have a line-item veto." He sent us a 10-pound budget asking for \$2.2 trillion in additional debt. How can he suspect that the absence of a line-item veto requires him to ask for a \$2.2 trillion in debt?

He still ought to have it. Governors have it. I think the President ought to have a line-item veto. We need to do things differently, and I think the American people are finally being heard inside and outside of this building. And I think also surrounding the White House. My hope is that it is now March of an election year. We rapidly narrow down the candidates in a Presidential campaign and we get into full swing in congressional campaigns for the House and Senate. My hope is that we will see this year finally the kind of discussion the American people want about the nagging issues facing this country. What should we do about trade? Let us have people run for office saying, here is my plan on trade. "I told you what I think we ought to do. I think we ought to have a tough trade policy that is reciprocal. Our markets are open to you, but make sure you understand the consequences mean that your market must be open to us as well."

We ought to have political debates in which we compare and compete with ideas for trade and deficits and a whole range of other issues that are troubling this country. If we did that, we would see the American people would be able to select some alternatives about what kind of public policy they want for this country and what direction they would like this country to move in.

Finally, there are, notwithstanding all the things I have said about the troubles we face, there are opportunities, it seems to me, for the people in this country and for those who serve in public office to grab the American steering wheel once again and make the changes necessary. The oldest Member of Congress, who was serving when I arrived, was Claude Pepper. He was a wonderful gentleman from Florida who came here during Franklin Roosevelt's first term, and he was here when I arrived.

He used to say that every even-numbered year in America, the Constitution allows the American people to collectively grab the American steering wheel and decide which direction they want this country to move. He said it is a miracle. It is not quite a miracle. It is a function of the constitutional framework of how we govern this country.

I recall a few years ago I visited as part of a group of 55 people a little room called the Assembly Room in Constitution Hall in Philadelphia to celebrate the 200th birthday of the writing of the Constitution. In that room, a small room that now still has the chair where George Washington sat at the head of the Assembly, where Mason and Madison, where Ben Franklin sat, in that room with the shades drawn because it was a hot Philadelphia summer, a couple of hundred years ago, 55 white, largely overweight men sat and wrote the American Constitution.

The reason we know that they were largely overweight is we were told that they had to have the shades drawn all summer that it was so oppressively hot and it affected them in a significant way. So 200 years later we have a celebration in that room commemorating the 200 years of the Constitution, 55 of us.

I was chosen to represent North Dakota among the group; 55 people, men, women, blacks, other minorities went in and celebrated this 200th birthday of the Constitution.

As I sat there, I sort of got to thinking about what it took to see ahead 200 years ago. And we kind of got the chills sitting there in this room thinking of the history of what we have been through in this country and how this living document called the Constitution somehow stretches and applies and provides a mechanism by which the American people have always made the changes necessary to make this place work.

Two hundred years, we got a lot of crises and the country moves back and forth on a meandering line, but it always moved back somewhere toward the center. That public policy in the center is what the Constitution gave the American people the right to impose on public servants, to impose on the strongest person in the land, the President, to impose on the President because the President, after all, is elected and is a servant of the people, and to impose on this body and the body across on the other side of the Capitol. We, too, serve at the pleasure of the people who sent us here.

That miracle, it seems to me, or at least that constitutional framework that will, in my judgment, justify the confidence I have that notwithstanding all the problems, this country can and will, when its people demand, and I think the time is here, solve the problems that confront us and put us back on track toward a better future, a brighter future, a future of opportunity.

There is no more resourceful group of people on this Earth, when they make up their mind, to work in unison, to operate as a team, and to do the things together we must do, than the American people are.

I still have a great hope that this country will see a better and brighter future. If I did not believe that, I do not believe I would want to continue to serve in public office. But I believe that with all my soul, that we will make the changes necessary to finally put this country back on track.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. DORGAN of North Dakota, for 60 minutes, today.

Mr. PICKETT, for 60 minutes, on March 31.

Mr. MCHUGH, for 5 minutes, on March 31.

Mr. FALEOMAVAEGA, for 60 minutes, on April 1.

Mr. POSHARD, for 60 minutes, on April 1.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ALLARD) and to include extraneous matter:)

Mr. WALSH.

Mr. DAVIS.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. WHEAT.

Mr. SKELTON.

Mr. FALEOMAVAEGA.

Mr. ROE.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. EDWARDS of California.

Mrs. MINK.

Mr. ACKERMAN.

Mr. CLAY.

Mr. HOYER.

SENATE BILLS AND A JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1696. An act to designate certain National Forest lands in the State of Montana as wilderness, to release other National Forest lands in the State of Montana for multiple use management, and for other purposes; to the Committee on Interior and Insular Affairs and Agriculture.

S. 2148. An act to extend to the refinancing of mortgage loans certain protections of the

Real Estate Settlement Procedures Act and the Truth in Lending Act; to the Committee on Banking, Finance and Urban Affairs.

S.J. Res. 280. Joint resolution to authorize the President to proclaim the last Friday of April 1992, as "National Arbor Day"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. DORGAN of North Dakota. Mr. Speaker I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 17 minutes p.m.) the House adjourned until tomorrow, Tuesday, March 30, 1992, at noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3190. A letter from the Comptroller General, the General Accounting Office, transmitting a review of the President's third special impoundment message for fiscal year 1992, pursuant to 2 U.S.C. 685 (H. Doc. 102-276); to the Committee on Appropriations and ordered to be printed.

3191. A letter from the Under Secretary of Defense, transmitting selected acquisition reports (SARS) for the quarter ending December 31, 1991, pursuant to 10 U.S.C. 2432; to the Committee on Armed Services.

3192. A letter from the Secretary of Housing and Urban Development, transmitting the 1992 Consolidated Annual Report on the community development programs administered by the Department, pursuant to 42 U.S.C. 5313(a); to the Committee on Banking, Finance and Urban Affairs.

3193. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a draft of proposed legislation to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Finance and Urban Affairs.

3194. A letter from the Inspector General, Department of the Interior, transmitting a copy of a final audit report entitled "Accounting for Fiscal Year 1990 Reimbursable Expenditures of Environmental Protection Agency Superfund Money, Water Resources Division, U.S. Geological Survey," report No. 92-1-541, dated March 1992, pursuant to 31 U.S.C. 7501 note; to the Committee on Energy and Commerce.

3195. A letter from the Secretary of Health and Human Services, transmitting the Administration on Developmental Disabilities fiscal year 1990 annual report; to the Committee on Energy and Commerce.

3196. A letter from the Department of State, transmitting an addendum to the listing of all outstanding Letters of Offer to sell any major defense equipment for \$1 million or more; an addendum to the listing of all Letters of Offer that were accepted, as of December 31, 1991, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

3197. A letter from the Director, Office of Government Ethics, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

3198. A letter from the Deputy Associate Director for Collection and Disbursement,

Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3199. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3200. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3201. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3202. A letter from the Secretary of the Interior, transmitting the Oil and Gas Leasing Program for Non-North Slope Federal Lands in Alaska, annual report fiscal year 1991, pursuant to Public Law 96-487, section 304(g)(6)(D) (94 Stat. 2395); to the Committee on Interior and Insular Affairs.

3203. A letter from the Secretary of the Interior, transmitting the 1991 annual report for the Office of Surface Mining Reclamation and Enforcement (OSM), pursuant to 30 U.S.C. 1211(f), 1267(g), 1295; to the Committee on Interior and Insular Affairs.

3204. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation entitled, "Department of Justice Appropriations Authorization Act Fiscal Year 1993"; to the Committee on the Judiciary.

3205. A letter from the Attorney General, Department of Justice, transmitting the annual report of the Attorney General of the United States; to the Committee on the Judiciary.

3206. A letter from the Secretary of Commerce, transmitting the Saltonstall-Kennedy Grant Program; Fisheries Research and Development, report 1987-90; to the Committee on Merchant Marine and Fisheries.

3207. A letter from the Chairman, Tennessee Valley Authority, transmitting the report on actions to improve labor-management relations at the TVA; to the Committee on Post Office and Civil Service.

3208. A letter from the Portland District Corps of Engineers, Department of the Army, transmitting the fiscal year 1991 annual report of the Chief of Engineers on civil works activities, Portland, OR, district extract; to the Committee on Public Works and Transportation.

3209. A letter from the Secretary of Health and Human Services, transmitting a recommendation for a national per resident amount for Medicare direct graduate medical education payments; to the Committee on Ways and Means.

3210. A letter from the Secretary of Labor, transmitting the interim report entitled, "Massachusetts UI Self-Employment Demonstration"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Interior and Insular Affairs. House Joint Resolution 402. Joint resolution approving the location of a memorial to George Mason. (Rept. 102-472). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. S. 1743. An act to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes; with amendments (Rept. 102-473). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

[Omitted from the Record of March 26, 1991]

Mr. LAFALCE: Committee on Small Business. H.R. 3304. A bill to preserve the disaster loan fund to assist victims of future disasters, and for other purposes; with an amendment; referred to the Committees on Government Operations and Rules for a period ending not later than April 17, 1992, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of those committees pursuant to clause 1 (j) and (q), rule X, respectively. (Rept. 102-471, Pt. 1). Ordered to be printed.

[Submitted March 30, 1992]

Mr. DINGELL: Committee on Energy and Commerce. H.R. 776. A bill to provide for improved energy efficiency; with an amendment; referred to the committees designated for a period ending not later than May 1, 1992, for consideration of those provisions within the following titles contained in the amendment recommended by the Committee on Energy and Commerce that fall within the respective jurisdictions of those committees pursuant to rule X: titles XII and XIII to Foreign Affairs; title III to Government Operations; titles VI and VII to Judiciary; titles VIII, IX, X, XI and XIX to Interior and Insular Affairs; titles II, XVI and XVII to Merchant Marine and Fisheries; titles I, IV and XVIII to Public Works and Transportation; titles VI, IX, XII and XIII to Science, Space and Technology; and titles X, XI and XIV to Ways and Means (Rept. 102-474, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT (for himself and Mr. SPENCE):

H.R. 4695. A bill to require the President to dispose of materials in the National Defense Stockpile that are obsolete for military purposes or in excess supply in the stockpile and to acquire strategic and critical materials that are in inadequate supply in the stockpile; to the Committee on Armed Services.

By Mr. BONIOR:

H.R. 4696. A bill to protect certain senior Air Reserve technicians from separation from technician service before age 60 under the High-Year Tenure Program of the Air Force; to the Committee on Armed Services.

By Mr. DAVIS:

H.R. 4697. A bill to provide improvements in recreational vessel safety and law enforcement coordination; to the Committee on Merchant Marine and Fisheries.

By Mr. DE LUGO:

H.R. 4698. A bill to amend the Federal National Mortgage Association Charter Act and the Federal Home Loan Mortgage Corporation Act to authorize the Secretary of Housing and Urban Development to increase the amount of the maximum principal obligation under a mortgage that may be purchased by such corporations with respect to properties located in the Virgin Islands; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DORGAN of North Dakota:

H.R. 4699. A bill to amend the Harmonized Tariff Schedule of the United States to exempt certain railway locomotives and railway freight cars from the entry and release requirements established in sections 448 and 484 of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. HUGHES (for himself, Mr. BOEHLERT, and Mr. ROYBAL):

H.R. 4700. A bill to amend the Employee Retirement Income Security Act of 1974 to require an independent audit of statements prepared by certain financial institutions with respect to assets of employee benefit plans; to the Committee on Education and Labor.

By Mr. KANJORSKI:

H.R. 4701. A bill to suspend until January 1, 1995, the duty on P-nitrobenzyl alcohol; to the Committee on Ways and Means.

H.R. 4702. A bill to suspend until January 1, 1995, the duty on 4-(6-fluoro-2-methylindine-3-methyl) phenyl methyl sulphide dissolved in toluene, also known as IN-4; to the Committee on Ways and Means.

By Mr. MINETA (for himself, Mr. HAMMERSCHMIDT, and Mr. SHUSTER) (all by request):

H.R. 4703. A bill to amend subtitle IV of title 49, United States Code, to reduce regulations of motor carriers and interstate water carriers, to sunset the Interstate Commerce Commission, and for other purposes; jointly, to the Committees on Public Works and Transportation, the Judiciary, and Energy and Commerce.

By Mr. WHITTEN:

H.J. Res. 456. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII.

352. The SPEAKER presented a memorial of the Senate of the State of Michigan, relative to the Little Traverse Bay Bands of Odawa Indians; to the Committee on Interior and Insular Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 793: Mr. JEFFERSON, Mr. BLILEY, and Mr. ROSE.

H.R. 815: Mr. SCHIFF.

H.R. 1289: Mr. COX of California.

H.R. 1300: Mr. BLACKWELL.

H.R. 1306: Mr. SANDERS.

H.R. 1391: Mr. BRYANT.

H.R. 1432: Mr. TOWNS.

H.R. 1468: Mr. HAYES of Louisiana.

